

# ***Revolutionary Perspectives 5***

Quarterly Magazine of the Communist Workers Organisation



## **Globalisation and Capitalist Monopoly**

**Plus**

**The World Trade Organisation and Imperialism**

**Labour, Tories and Welfare Cuts**

**Perspectives for the Coming Period**

**The 1995 Strikes in France**

**Revolutionaries and Ireland**



**Revolutionary Perspectives**  
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# Annual General Meeting of the CWO

On December 7th and 8th 1996 the CWO held its Annual General Meeting in Sheffield. Our Annual Report concluded that 1996 had been a good year internationally for both the CWO and the International Bureau for the Revolutionary Party. An important factor in this was the establishment of homepages on the World Wide Web which had led to an increase in contacts and correspondence throughout the world but particularly in the USA, Canada and Scandinavia.

In Italy the growth of our sister organisation Battaglia Comunista (the Internationalist Communist Party) especially in the centre and south of the country and especially amongst young people has led to the calling of only the VIth Congress in the fifty two year history of the Party. The CWO was present at the Vth Congress in 1982 where a resolution was passed which prepared the way for the setting up of the International Bureau for the Revolutionary Party (which was actually formed in 1983). The first edition of our joint publication (now titled Internationalist Communist was produced in the summer of 1984). In 1984 we also published a joint Platform of the IBRP which was based on the work of the first three International Conferences (called by Battaglia Comunista and held between 1977 and 1980). This was intended as a minimum platform which would encourage others to get into discussion with us. However three years ago both organisations independently decided to use the Bureau Platform as their basic platform. Ironically after a year in which the Platform has finally been translated into Farsi, Portuguese and Spanish we have decided to revise it. Some issues which were not adequately dealt with under the old Platform have had to be deepened and we are now jointly working on a revised text. One of the most important decisions taken by the CWO AGM was to pass the following resolution.

## Resolution on the Platform

*The CWO confirms that the current Platform of the IBRP sets out the fundamental positions on which the CWO and the PCInt. operates. The CWO mandates its delegates to seek changes in the current IBRP Platform at the VIth Congress of the Internationalist Communist Party (as agreed by this AGM) to be held in April 1997. Henceforth, whatever other instruments the IBRP creates for its work the Platform of the IBRP is the unified platform*

*of all its affiliates.*

The basis of these changes are to update the introduction, include the issue of parliamentarism, more systematic criticisms of Trotskyism as a current and make some issues more precise by, for example, including more dates so that it is easier to see what is being referred to.

## Perspectives

The longest and most important discussion was that on perspectives. For a political organisation an accurate understanding of where we are in the historical process is absolutely essential if we are to frame our strategy and tactics. The CWO is proud of the fact that its perspectives have largely held good since 1982. We concluded then that the working class was on the retreat and that our task is to prepare the nucleus of a revolutionary internationalist and international organisation for the next mass wave of working class resistance. The capitalist crisis remains unresolved and history offers us only two alternatives as an outcome from the present condition of managed chaos of the world economy - socialism or barbarism. However the collapse of the USSR's empire in the East and the subsequent reshuffling of the alignments has postponed the day of reckoning to an even longer future than even we saw. Our task is to make good use of that time to slowly create a solid communist organisation which rejects the capitalist reformism of the Trotskyists etc., the petty bourgeois anti-partyism of the anarchists etc., and the intellectualism of many of our fellow internationalists. Communist work means work in the wider working class and not in narrow political meetings which bear little resemblance to what is going on in the wider working class. This is why we concluded

*Workers will not be won to communism by words alone. Communists wherever they work, wherever they act socially must demonstrate in the struggles of the class that they not only understand the clear line of march but know how to fight and how to organise. We do not stand on the sidelines decrying what the workers are doing but take part in movements, however initially unpromising, and demonstrate by our actions their limitations and their true ultimate goals.*



Documents on organisation and on monopoly capitalism and globalisation were also discussed and amended and these will appear in future publications. A programme of work was fixed and responsibilities allocated. It was finally agreed that the Executive Committee which, due to the geographical dispersal of its members and the smallness of our organisation, had declined in significance over the last five years should be revived. It was also decided to continue with three monthly delegate meetings of

the whole organisation but the supreme ruling body of the CWO remains the General Meeting of the entire membership. The organisation also agreed to set a basic membership subscription of £1 per week payable by all comrades whatever their circumstances. However the CWO's main source of finance remains the "self-taxation" of those in regular work who pay a fixed percentage of their incomes to the organisation. This too was confirmed and the meeting closed with the re-election of the Executive Committee.

# Perspectives of the Communist Workers Organisation

## 1. Premise

The fundamental basis of our revolutionary activity is the understanding that we live in the era of imperialism, "the era of the parasitism and decay of capital" (Lenin). Such an affirmation means that the material conditions for capitalism to be superseded by communism already exist. This means that the tasks of communists is to politically and organisationally prepare the working class for the time when it is ready to carry out the assault on capitalism. Communism will not arise spontaneously out of the decay of capitalism. Nor will a communist mode of production "naturally" grow up in the same way as capitalism did inside feudalism. The struggle for communism has to involve the growing consciousness of the working class that it is not enough to no longer want to live under the old conditions of exploitation. In the process of opposing capitalism it must also come to understand the need for the conscious creation of a society based on the abolition of the law of value which regulates all economic and social relations under capitalism. It is the task of the party to embody this growing consciousness and thus lead the working class in its assault on all capitalist states.

## 2. Significance of the Imperialist Epoch

The understanding that we live in the epoch of capitalism's decay as a social system does not mean that we live in a period when revolution is at all times immediately and automatically on the agenda. As a more dynamic mode of production capitalism's rise and fall could be swifter than that of the ancient mode of production. What is clear is that to talk of decadence is not to talk of the immediate possibility of revolution.

It took three or four centuries for the contradictions of the ancient slave-based mode of production to work themselves out in the Roman Empire. Even then there was no linear path to its collapse. The creation of the Empire in the last decades before Christ was a victory for those patricians who recognised the need for an accommodation with the plebeians. It was an accommodation which compounded the already apparent stagnation of a static mode of production. The slave system choked off the possibility for the rise of a more dynamic mode of production since the plebeians never fully became a class of proletarians. Sporadic expansion (e.g. Trajan) was followed by long periods of stagnation and regression. When Rome finally fell in 410 A.D. it was not due to the rise of a new class from within society but to a more dynamic but less advanced "barbarians" from outside. It was not a victory for humanity but brought about "the common ruin of the contending classes" (*The Communist Manifesto*). This historical digression is to demonstrate that Marxism is not based on the bourgeois "idea of progress" nor any teleological idea that there is an already worked out destiny for humanity. Marxism is based on the premise that the class struggle is the motive force in history not that humanity is inevitably destined to continuous self-improvement. In the current era of imperialism the dilemma facing humanity remains that of further imperialist conflict leading ultimately to generalised barbarism, or the intervention of the world working class to destroy the capitalist mode of production and create a socialist society.

*Socialism or barbarism - there is no third road.* (Rosa Luxemburg)



### 3. Importance of Perspectives

Revolutionary opportunities thus only come about under certain historical conditions and it is necessary for communist revolutionaries to understand what these broadly are and to adopt their political and organisational priorities to the needs of the immediate period they are in. As we wrote in 1982

*The production of perspectives to guide the work of a revolutionary group is a vital task if it is to avoid mere empiricism and tail-ending of events in its political tasks. Guidelines for the definition of areas of importance for our work, provision of material and analyses for our propaganda, the development of productions in order to guide our interventions, all these can only come from a coherent set of perspectives. Revolutionary Perspectives 21 (old series)*

### 4. The Capitalist Crisis since 1971

We are now living in the longest economic crisis in the entire history of the capitalist system. The post-war boom which capitalist commentators hailed as permanent in the 1950s and 1960s came to an end in different countries at different times. It became a global crisis of the end of the third cycle of capitalist accumulation this century in 1971 with the first devaluation of the dollar by Nixon, a move which was to lead the USA into becoming a net importer of capital by the 1980s and to the only time since 1929-33 when world production actually fell (1982). As it is the growth of stagnation in the OECD countries which dominate the world market has continued. Average growth rates of GDP in the 1970s were 4.3%. By the 1980s these had fallen to 3.3%. Now as the *Financial Times World Economy and Finance Survey* (27.9.96) informs us we will only have "average growth of only 2% a year in the current upswing". Politicians everywhere (but especially in Britain) are crowing about the renewed growth of the economy and are claiming that growth will exceed 3.5% in 1997. However this is a rather convenient prediction since it is what they need to grow by in order to reduce their budget deficits.

This leads to one of the key issues of how the crisis has been managed since it began. The initial response of all states was to increase the control of the economy by the state. In some countries like Britain industries were nationalised (e.g. 1966 British Steel) but in all countries resort to the printing press to fund new investment which private capital could not make was common. The reason for this was still being voiced in 1984

*Several studies of the long-term development of the industrial economies have pointed to the decline in the overall rate of investment since 1973 ... associated with the erosion of profitability. Financial Times 17.9.84*

Private capital as in every crisis of profitability did not look towards productive investment but to speculation. However the increase in government borrowing did not create a new revival of the economy since the problem was that we had reached the end of a cycle of accumulation. The law of the tendency of the rate of profit to fall; "the most important law of political economy" (Marx) cannot be reversed without some massive devaluation of capital. All that happened was that the various state measures increased the rate of inflation to more than 20% in many leading capitalist countries. It meant that returns on capital were actually wiped out and it was actually better to be a debtor than a creditor. Furthermore states had to tax their populations more heavily in order to repay the debt interest. State spending as a percentage of GDP reached record levels (Britain peaked at 48%, Sweden at 60%). By 1976-7 the game was up. Callaghan announced the collapse of what might be called ultra-Keynesianism to the Labour Party Conference. Financial rigour now became the order of the day and monetarism became the battle-cry of the bourgeoisie.

Actually the application of monetarism (or neo-liberalism) was more rhetoric than substance. What states actually did was to return to the tighter monetary and fiscal policies based on the years of growth in the period after the Second World War. They have not returned to the laissez faire of the nineteenth century despite the wilder demands of the ultra-right. Whilst states may have abandoned direct control of certain industries (and even the industries themselves, like British Coal) in order to create global market players (e.g. British Telecom) and increase the rate of exploitation of their workforces, they have not relinquished many of the mechanisms for controlling economic activity within their borders, particularly via subsidies (from the Malaysian Government's aid to Proton to buy Lotus to British Government aid to BMW and Siemens to set up factories in Britain), as well as fiscal and interest rate manipulations. The Japanese Government for example has spent the equivalent of 8% of GDP this year in trying to reflate the Japanese economy (in spite of which banking and property companies still continue to collapse on the backs of their previous speculative activities). Government spending as a percentage of GDP still stands at globally high levels (up again to over 40% in the UK for example). The massive accumulation of debt funded much of the growth of the 1980s and this still hangs like a sword of Damocles over the capitalist claims of a recovery. In



the two worst-affected economies, Japan and the US, private sector debt ratios have gone up from 100 to 180% and 100 to 130% respectively, and are still rising. This is a serious problem for the world economy since the biggest ten banks in the world are Japanese. In Britain, despite the fact that there are still 10-11 millions of the potential workforce economically inactive (whatever the official massaged figure for unemployment) the Bank of England is asking for further interest rate rises to cut down the risk of growing inflation! This combination of inflation and high unemployment is unique in capitalist history and is the product of the continued attempt by the capitalist state to regulate economic activity within its own territory. According to the Financial Times (9.11.96)

*The danger is that the great depression of the 1990s has merely been postponed.*

The question that we are left is where is the crisis going? The short answer is nowhere. All the privatisation and deregulation in the world, all the massive increase in exploitation and unemployment have done nothing to shift value relations dramatically enough to revitalise the accumulation process. However history does not stand still (even if it gives some lapidary appearances!). Capitalism has only been able to manage this twenty five year old crisis by basically suspending some of its own norms. In reality whole sectors of the banking and finance industry and even whole countries like Poland, Mexico, Zaire etc. etc. have gone bankrupt. If these had been small firms they would now be history. However the world economy is now so inter-linked and has such institutions like the G7 countries, the IMF and the World Bank in place that so long as they have the capacity the leading imperialist nations will gang up to prevent any substantial sector of the world economy from collapsing. The bourgeoisie have learned from 1929-39 that such crises are fatal to the whole system. However the tolerance of the past may be wearing a bit thinner. How many times can a particular state default on its debts (have them *restructured* in the fancy euphemism of the economists) before it starts to live on such short-term interest repayments that it cannot meet? The debt crisis is the single biggest threat to the future of the capitalist world. If the current political challenge by the other G7 countries to the US' hegemony spills over into the financial management of the global economy the whole edifice could collapse dramatically quickly. If it did the 1930s would look like a boom period. In stating this we are being entirely consistent with what we wrote twenty years ago:

*The real crunch for capitalism will come when its international credit mechanisms at the financial level are themselves facing bankruptcy, which will reflect the further decline of the capitals which are strongest at present, and their growing inability to support the weaker ones. (Money, Credit and Crisis 1977 in the pamphlet The Economic Foundation of Capitalist Decadence p.73)*

This perspective still holds today.

## 5. "Globalisation" and the role of the state

As we have shown above the role of the state has altered in the course of the crisis. When the crisis first began (and the CWO, along with most of the current communist left groupings were formed at this time) it seemed as though the state was intent on absorbing more and more of the productive (but unprofitable) sectors of the economy. Our conclusion was that this was not a solution to the crisis but would only be a prelude to a further attack on the working class. At that time we stated that nationalisation was not a step towards socialism (as the Left still maintains) but a prelude to rationalisation which would lead to job losses and a drive to make previously unprofitable industries profitable (see for example *Workers' Voice 1* (new series) p.12). At the same time the former owners were compensated by that state (paid for by taxing the working class) so that they would have some liquid capital with which to start up new more profitable enterprises. Exactly the same rationale (but in reverse) now applies to privatisation. The working class having paid the cost of rationalisation the state then sold off the nationalised industry at a knock-down price (which is well below the real "value") to the finance capitalists. In both cases state intervention is to interfere in the market mechanism for the establishment of an average rate of profit in order to raise it (however minimally). Our general theoretical position has always been shaped by the following statement from our pamphlet *The Economic Foundations of Capitalist Decadence* (1974).

*The rise of global capital means the end of laissez-faire or classical capitalism. The accumulation of capital after World War One could only take place on the basis of constant and growing state intervention in each national economy and the gradual absorption of civil society by the state - hence the existence of the permanent tendency towards state capitalism throughout the world. This, besides involving increasing state ownership and control of the means of production, fiscal policies which attempt to control the economy, also involves the stimulus of waste production (i.e. production which, from the viewpoint of global capital, cannot lead to further capital accumulation) of which the most pronounced expression has been arms production. The continued inter-imperialist rivalry and this growing arms production are part of the permanent crisis of decadent capitalism which can only be resolved by war, itself a prelude to a new period of reconstruction, followed by yet another*



*crisis. The history of capitalism in the twentieth century has been the history of this cycle of crisis - war - reconstruction.*

loc. cit. p. 29

Some comrades now argue that the policy of privatisation and the growth of multinational corporations now makes this passage obsolete. We think not. Let us dispose first of all of the privatisation issue. Privatisation, and deregulation, (which is more relevant to the global economy since the US had regulated rather than formally nationalised industries) are simply policies. They do not really affect the issue of the total role of the state unless it is really considered that nationalisation is the only real expression of state capitalism. As is clear from the passage the CWO has never held that position. What is important is that the state continues to be the regulator of the national economy in the general terms in which we wrote above. This is still true although perhaps we should now reword the passage to say that the state still seeks to control the economy. The factor that has changed is not the activity of the state (which operates just as actively to absorb civil society, particularly on the political and social front even regulating family relations via the law and the tax system) but the relation of the state to the international capitalist economy. For the CWO it has always been the role of the state in economic management that is the only real acid test of its definition of state capitalism. What we now have to comprehend is the issue of globalisation.

State capitalism arose as part of the development of imperialism. Both arose out of the "immanent laws of capitalist development" (Marx). At the same time there has always been a progressive growth in the internationalising of capital. Marx and Engels considered that the world market was already fully formed by the 1850s. In the early stages of the imperialist epoch Bukharin was able to successfully show that

*together with the internationalisation of economy and the internationalisation of capital, there is going on a process of "national" intertwining of capital, a process of "nationalising" capital, fraught with the greatest consequences.*

(*Imperialism and World Economy* 1915 p.80)

At this point he was able to say that the move from world market to world economy (i.e. imperialism) was accompanied by the increasing use of the state to back up the imperialist adventures of national capitals. At the same time each state safeguarded its own market via tariffs etc. These restrictions on the free market laws of capitalism are part of our evidence that the system was now entering its period of decline. However, being in decay does not mean that capitalism does not continue to develop. As Lenin stated

*It would be a mistake to believe that this tendency to decay precludes the rapid growth of capitalism*  
(*Imperialism* 1916)

And this is an important point the further concentration and centralisation of capital which is a salient characteristic of the mode of production has carried on through two world wars. This concentration of capital has however begun to undermine the capacity of the individual states to control everything even within their own boundaries. The fundamental reason for this is that whereas the states could concentrate a larger mass of capital than any individual finance capitalist combine thirty or forty years ago, this is no longer the case today. Global capitalist operations now daily shift capital volumes many times greater than any state can hope to raise (annually these are said to be worth \$100,000 billions). There is now a growing number of contradictions between the needs of the states to defend their own populations and the needs of global capital to maximise its profits. In some ways this is not entirely new. At the beginning of the imperialist epoch in the late nineteenth century some international operations tried to take the state in a different direction to others. The struggle between these capitals at the head of the state is the stuff of bourgeois politics (the current British division over Europe is only the latest example of this). Ultimately however it is the needs of one faction that take over and they determine who the next war will be against. Although fought under the national banner of UK Ltd the beneficiaries can only be those whose interests are the most directly threatened by "the enemy". Globalisation today is in this sense no different. It is not a stage of "ultra-imperialism" à la Kautsky but it does represent a new stage in the international operation of imperialism. Now states have to create the conditions to attract a sufficient volume of investment to ensure that the crisis affects their territory and their citizens least. Social order depends on this. The state itself can only use judicious amounts of capital to create a minimal infrastructure for longer term investments. However many of the instruments which the state has used since 1945 to control economic activity are no longer fully under ruling class control. For example the regulation of interest rates has been increasingly seen as the one way in which the Treasury could control the level of economic activity but states are no longer able to determine individually their own interest rates. If the economy is flat the general cure was to lower interest rates



but if international finance capital does not approve of this then capital flows out of the country or the currency comes under pressure and the cure is worse than the disease. This explains why many of the European states actually want to club together to aggregate their capital to resist this as the Americans are still able to do to a certain extent. What it means is that globalisation has created an increasingly unstable world economy and the anarchy of capitalist productive relations, supposedly banished by Keynesian demand management has returned with a vengeance. The so-called poverty gap (the one predicted by Marx as the consequence of the capital accumulation process) has increased dramatically during the last quarter of a century. Not just between states either but also within them. In the so-called advanced capitalist states millions are living in conditions which capitalist writers tell us belong only to "developing countries". The periphery is nearer than we think. Capitalism thus has many forms but no solutions to its own accumulation crisis. On a global scale it can only offer more misery, more hunger and more unemployment and more wars.

## 6. Imperialism and war

The fall of the Eastern bloc and the rise of a so-called "New World Order" at the beginning of the 1990s has in some ways bought capitalism a breathing space. This is not the place to examine the decline and collapse of the former Soviet bloc but its consequences have been to open up a completely new period in imperialist relations. This has not been the era of peace of the "New World Order" (read New American Order) dreamed by George Bush. Whilst we do have a planet dominated by one power as never before in history this domination is not without its challenges. The US thought that it had got the whole world, East and West, behind it in the Gulf War. This was perhaps true for a while but its own naked imperialist interests which deprived its former allies of any of the benefits in the award of contracts for the rebuilding of Kuwait soon alienated already disgruntled NATO partners. In former Yugoslavia France and Britain attempted to challenge US support for Bosnia (the CIA even spied on the SAS to make sure they were finding targets for US planes to bomb because it was known that the pro-Serbian British Government had instructed the SAS not to find any targets!). In Rwanda it was the British and the Belgians who got the US to line up behind them against the French (who continued to support the Hutu militias after they were driven from the country). In Afghanistan the US and Pakistan supported the Taliban to oust the Kabul Government which is now fighting back with aid from Russia. Most spectacularly of all the Russians and the French combined to condemn the bombing of Southern Iraq by US fighters in September.

All these examples demonstrate that whilst the US has enormous military power, and that its former allies are themselves divided, its global dominance does not go unchallenged. We are in a period of manoeuvring in which the US still has enormous advantages. It is relatively easy for the US to divide and rule at the present time since its old allies have, as yet no common interests around which to coalesce. But if the US played the divide and rule card so often that the constantly humiliated lesser states were to come together to create an alliance it would be an anti-American one. In the unlikely circumstance that a single state was created in Europe it could only come about as a deliberate anti-American policy. There is also enormous menace in the old Russian state. Despite the (and in fact because of) the weakness of the old Army it is an extremely volatile political entity with a desperate economic situation and a need to restore its old empire. In short, it is now a revanchist power. It so far is managing to rebuild the old USSR in some ways but it has only fragile alliances with Byelorussia and the Central Asian Republics. The demands for oil (and the proposed gas and oil pipelines through them) makes these regions even more economically and strategically significant in the global realpolitik.



All this means that whilst a full-scale war between the leading imperialist powers has been postponed, and whilst the number of minor wars has decreased from about 40 to 30 in the last few years, those wars that do break out will be intensified a hundred times by the manoeuvrings and promptings of the leading capitalist nations. It will mean an increase in the horror and the numbers of dead. Stalking through it all will be the arms merchants of the great powers each trying to outdo the others in selling more arms. Since the collapse of the USSR the USA has doubled its share of the world arms market to 70%, freezing out many of its old allies in the process. The old arms economy of the US would be dealt an enormous blow if this situation were to change. The only force which can halt the increase in wars is the working class

but no national section can hold back war on its own. Indeed as the crisis in Yugoslavia showed war can be unleashed by local nationalist and separatist bourgeois in order to undermine the rise of class combativity (as was the case in Serbia before 1990). The perspective is for local wars to diminish in number but claim more lives. Communists have to fight the lie that there can be peace under imperialism (as the situations of the so-called "peace processes" in Ireland and the Middle East



## 7. The working class and its struggle

graphically show).

The working class remains the only class capable of overthrowing the capitalist system. As a class which is united through its collective exploitation by capitalism it alone has the material power to paralyse and then overthrow capitalist relations of production. As the working class has no property relations of its own to defend it is the last exploited class in history. Its revolution against capitalism can only therefore set up a system of production without exploitation which we call communism. However the material power of the working class remains useless if it is not accompanied by a desire on the part of the working class to not only end the capitalist system but also to create a new society. In short the working class revolution cannot come about by accident but through conscious design. It is for this reason that class conscious workers have to come together into an increasingly international and centralised political party (see theses in this issue).

This coming to consciousness of the working class is not a mere economic reflex and involves a fight against all forms of bourgeois ideology as well as the material forces which also create competition between the workers themselves. The working class has been written off several times in history already. In the 1890s Bernstein and much of German Social Democracy insisted that the working class had no need of revolution. Capitalism had created a better society and to talk of working class revolution was therefore obsolete. It took the revolutionary wave of 1917-21 to dispel that myth. Then in the 1950s and 1960s the working class was once again dismissed as hopelessly bourgeoisified by such august thinkers as Herbert Marcuse (who looked to colonial peoples and women to spearhead the revolution - without telling us what new basis for society they would create). This lack of vision was expunged by the first responses of the working class to the capitalist crisis after 1968. However the working class has now been in retreat for two decades of this crisis and once again the pundits of the chic radical bourgeoisie are waving "good-bye to the working class". Now we live in a "post-modern world" it is not the material force of the proletariat that will change society but the nominalism of the Foucault and Baudrillard camp who assert that changing the names of things will change their essence. We can dispense with these bourgeois ideologues easily enough. More serious is the problem of the reconstitution of the working class.

There is no doubt that the capitalist crisis has forced the capitalists to restructure whole sectors of the economy and bring in new technologies. This has had several effects. In the first place the working class has been to some extent "disaggregated". It is no longer to be found in huge Petrograd-style concentrations of factories of 16,000 to 20,000. Whilst this might in some ways weaken the collective action of workers in a single factory it does not however undermine the working class as a whole. We should remember that the early capitalism of which Marx wrote had much smaller workforces than the "Fordist" model of the twentieth century. Furthermore the old aggregation was the home of the old Labour and social democratic movement. Predominantly male, white and over forty it was not the real representative of the working class as a whole. Now that the grip of the old Labour Movement over the labour force has weakened we should welcome the opportunity to start to build a new, more encompassing and consciously political working class movement.

A more serious problem is the division in the working class produced by the evolution of the new technology. This has had a tendency to divide new jobs between highly exploited (and better paid) full-time workers who can develop and operate information technology etc. and lowly paid part-time service work (such as supermarket check-out operators). For all of them to see themselves as part of the same class is extremely difficult especially when trades unions and the capitalist press seek to emphasise their different wages and obscure the fact that both sectors have their wage labour exploited in identical ways. The divisions amongst the workers are real enough but so too is the capitalist attacks. Even the better off workers still face an increase in exploitation which does not get any easier with the passage of time. In conditions of capitalist decline the possibility of unpredictable social explosions such as that in France in December 1995 cannot be discounted.

In its current situation the working class needs greater explosions than even the French strikes of 1995, whatever encouragement they gave to workers everywhere (and despite their failure to do more than give the bourgeoisie pause for thought). In the period of capitalist boom after World War Two the revolutionary Marxist traditions of the working class were all but wiped out. With the definitive passing of the old Communist Parties into the camp of imperialism with the USSR in the build up to that war and the Trotskyist support for Allied imperialism the only current which gave an organised revolutionary response to that war was the communist left. With the formation of the Internationalist Communist Party during the period of the strikes in Northern Italy in the 1943-5 the working class for the one and only time since the Russian Revolution gave signs of taking up its



revolutionary tasks. With the stabilisation of capitalism however after World War Two the Party remained isolated in Italy and subsequently had a scission as some members left to follow Amadeo Bordiga (who after a near twenty year absence had re-appeared to oppose the work of clarification that the comrades had carried out in exile and in prison on key issues such as the capitalist nature of trades unionism, the impossibility of any further progressive "national liberation" struggles in the era of imperialism and a clear recognition of the state capitalist (and not socialist or any other designation) nature of the USSR. Nevertheless the fundamental nucleus of this party survived and still continues today as the internationalists of Battaglia Comunista.

It needed however the massive international workers response to the onset of the capitalist crisis at the end of the sixties and the beginning of the seventies to bring new elements (including ourselves) on to the political scene to take up the political positions defended by the communist left. Unfortunately this was short-lived period and by 1976 the ruling class, at first using the unions and social democracy were once again able to restore social peace. It was a social peace punctuated by great struggles of the working class (Poland 1980-1, the Belgian dockers 1983 and the British miners strike 1984-5). However there was no international wave of strikes like that of 1968-74, and all of these movements ended with the working class retreating still further in the face of the capitalist onslaught. Plenty of grist for the mill of those who want to dismiss the working class as a revolutionary force. And plenty of problems for revolutionaries in the face of an ideological onslaught on "the death of Marxism", "the end of history" and such like. The importance of the strikes in France in 1995 was that they at least temporarily silenced this campaign and forced the Western European bourgeoisie to mobilise the trades unions (which they had almost begun to dispense with) to control and side-track the movement. The fact that the unions were so successful shows just how far we are from a communist consciousness inside the working class. However the crisis is not going away and that despite a thousand palliatives there is no bourgeois solution. The attacks of the bourgeoisie only intensify with every victory they gain and this means that further massive struggles are inevitable. In turn these massive struggles will have to come up against the apparatus of the trades unions and the capitalist left (from Labour to the Trotskyists) and this is a terrain on which revolutionaries will have to be prepared to fight.

## **8. Current tasks of revolutionaries**

In *The German Ideology* Marx stated that the dominant ideas are those of the ruling class. Two decades later he wrote (in the Rules of the International Workingmen's Association (the First International)) that the emancipation of the working class was the task of the workers themselves. The apparent contradiction between these two statements was solved by the creation of the International. As the first International workes party it was the body which would challenge and fight the dominant ideology within the working class and society as whole. The International Bureau for the Revolutionary Party to which the CWO was a founding adherent in 1984 seeks to carry on the struggle for the creation of a centralised international political party. As we have written many times (see Internationalist Communist 1 for the Bureau's founding documents) the IBRP is for the party. It is not that party. The IBRP's adhering organisations have neither a wide enough geographical existence around the world nor adequate roots inside the working class where they are present to proclaim that the World Party of the Proletariat is already in existence. It is our task to work on both these weaknesses in order to create solid nuclei of the future Party. In doing so we will have the lessons of the first three Internationals before us. The World Party of the Proletariat will be more politically homogenous than the First International, more centralised than the Second (which was a voluntary association of national parties) nor will it be under the domination of one single national centre like the Third International was. 1996 saw us establish more international contacts than we have seen for a decade. It must be a major task to get these to discuss and work together as the next stage in the creation of real communist nuclei.

At present the forces of the internationalists are pathetically small both objectively and in relation to the tasks that confront us. We cannot await with folded arms for the revolution relying on the massive rise in class consciousness that this will inevitably provoke to build the party. A solid and substantial nucleus has to be built before then. How can we do this? Better propaganda, a wider distribution of our publications, a greater effort of will etc. are all important but an effort of will alone cannot get us from the present situation to the future class party. Obviously the key element are further outbursts of resistance by the working class. In these we should recognise that we have to agitate and propagandise as much as possible in order to make the most of that brief time when workers generally are more critical of the torrent of bourgeois ideology which daily inundates them. Intervention has however to follow several guidelines which the communist left in Britain has not been particularly strong on hitherto.

First of all our message should accentuate the positive and suggest practical steps which can be taken



to make the struggle a success. This lies in both the extension of the movement to other sectors and areas and the internal "democratisation" of the struggle to ensure that it remains a class rather than a committee movement. The message that these are the only ways to win anything also coincides with the fact that it is the only way to make the workers more conscious of the stakes today. In every struggle we must recognise that whilst immediate goals are of direct importance to those who start the struggle the real gains are organisational. It is the role of revolutionaries to draw more and more workers permanently out of the capitalist orbit. The only permanent expression of opposition to the capitalist system is the political party (or its present nuclei). All this is not enough either. Workers will not be won to communism by words alone. Communists wherever they work, wherever they act socially must demonstrate in the struggles of the class that they not only understand the clear line of march but know how to fight and how to organise. We do not stand on the sidelines decrying what the workers are doing but take part in movements, however initially unpromising, and demonstrate by our actions their limitations and their true ultimate goals. None of this means opportunistically staying silent about our politics (although in the initial contacts it might not be more important to listen and understand first so that subsequent intervention is properly worked out and thus more effective). In the present period however such opportunities for militant work will be relatively rare. The fundamental ongoing task is to provide theoretical explanations of present-day reality on which class conscious workers can act. At the end of the day our whole activity at the present time is to achieve the growth (albeit molecular at present) of communist organisations as a preparation for the future world party of the proletariat. In short this means making communists wherever we already have members and consolidating the international contacts into forces capable of collective action in different areas. To our tasks, comrades!

CWO December 1996

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## CWO Pamphlets



# Labour or Tory - More Welfare Cuts To Come

Whilst the bosses of privatised utilities and their capitalist class compatriots may be smiling about the much vaunted "feel good factor", the rest of us know the reality of life in the 90s. It's a sensation which bears an uncanny resemblance to being kicked in the teeth when you're down. For workers it's more work for the same or less pay, job insecurity, deskilling and the increasing likelihood of having a lousy part-time temporary job which barely provides a subsistence level of existence. If you are on welfare benefits things may be even tougher but at least you get your rent paid.... but probably not for much longer.

## Housing Benefit Cuts

Hiding in the shadow of Chancellor Clarke's budget last November, Social Security minister Peter Lilley announced further cuts in Housing Benefit and Council Tax Benefit entitlement. From October 1997 it is proposed that claimants in the private rented sector will have their Housing Benefit limited to the general level of local rents for a suitable size home. As private sector rents are always more expensive than council or housing association rents, it is inevitable that in most areas private sector rents will be higher than the local general rent level and tenants will either have to pay the difference out of their subsistence level benefits or low wages, or face eviction. This measure follows changes in benefit rules in January 1996 which have already restricted the amount of Housing Benefit available to private tenants. It is envisaged that this new measure will affect some 125,000 people and will save £25 million for the Treasury.

An even more vicious proposal will limit Housing Benefit payable to single people under 60 in private rented accommodation to the average rent for a single non self-contained room. Single tenants of self-contained flats and houses will be effectively forced out of their homes into squalid multiple occupation properties. Many will inevitably end up on the streets. This measure builds on existing limitations on Housing Benefit for the under 25s. It is estimated that quarter of a million people will be affected by this proposal which will enable the government will reduce Housing benefit spending by £105 million. Single tenants will be delighted to know that the government is simply enabling them to make "a choice" about the type of accommodation they occupy. As Peter Lilley stated in his press release:

*Both changes will encourage people on benefits to take costs into account in deciding where to live, and they will have the choice of paying from their own incomes for more expensive accommodation, or trying to negotiate their rent downwards, or moving into a home they and the taxpayer can afford.*

This statement displays a level of cynicism and contempt for benefit recipients that is appalling even by government standards. What we are witnessing is a gradual erosion of the welfare benefits system which has quickened over the last few years. The recent introduction of the Jobseekers Allowance which bullies unemployed claimants into low paid work or useless government "training schemes" is just one example. The 1996 Housing Act has further reduced the obligations of local authorities to assist the homeless and last year's Asylum and Immigration Appeals Act has excluded certain categories of immigrants from social security benefits even though they may have paid income tax and national insurance in the UK.

## An Attack on All Workers

Over the last few years the attacks have tended to be selective against for example, the young unemployed, those without homes and immigrant workers. However with the new Housing Benefit proposals it can be seen that the cuts are more and more encroaching into the mass of mainstream claimants.

This is not just a vicious Tory policy to hammer the poor. The Labour Party have not pledged to reverse one single Tory benefit cut. These vicious benefit cuts are driven by the needs of crisis-ridden capital to reduce welfare spending. It should be remembered that the modern welfare state was set up in the immediate post-war period of reconstruction to preserve social peace. The Labour Government's election on a reformist programme in 1945 was intended to head off the class anger that was building up as soldiers were being demobbed. There was no talk of "Homes fit for Heroes", as after the First World War. Instead there was a wave of occupations of empty buildings belonging to the bourgeoisie and the state by ex-soldiers and their families. The Government response on the housing front was "prefabs for the proletariat" but even this programme was inadequate to solve the post-war housing shortage.

As for the rest of the welfare state it was not



expected to cater for more than a few hundred thousand claimants (excluding pensioners) rather than the permanent mass unemployment of several million which we have experienced for the greater part of the last 20 years. The liberals like Keynes and Beveridge who designed the system warned that it would only work if capitalism could maintain something close to full employment. This could only be done by government borrowing which led to inflation and to higher wage demands by the working class. As Marx argued more than a century ago a pool of unemployed was essential to keep wage rates in check. During the post-war boom unemployment did fall to under 1% (and, of course, the capitalist pundits talked of the end of Marxism!). The onset of the crisis, caused by the reassertion of the tendency of the rate of profit to fall, has had the double effect of re-creating mass unemployment and increasing government indebtedness. Cutting welfare is the only capitalist option whichever party is in power.

The reduction in entitlement and value of welfare benefits to a level where even day to day subsistence is problematic helps to offset the tendency for the rate of profit on capital to decline by increasing "productivity" i.e. the rate of exploitation of labour. Workers are prepared or forced to accept lower wages as an alternative to claiming benefits and this process lowers the wage level of all workers. The attack on social security is thus an attack on the whole working class and not just the unemployed or low paid.

#### New Labour - Old Attack

Workers cannot rely upon the Labour Party or the unions to halt this process. If further evidence was needed on this the deal struck this week between the GMBU and TGWU unions with Blue Circle cement underlined what life will be like under Labour. Hailed as a great victory in labour relations it basically signs away any future wage rises to the bosses in return for a spurious guarantee that the firm will not lay the workers off. No wonder business is rubbing its hands at the prospect of a Labour Government.

*the days when the Tory Party was the automatic party of business are over*

R. Gavron, businessman, after donating £500,000 to Labour, quoted *Independent on Sunday*, 15th September, 1996.

In his speech to the City last September Blair, the Labour leader, said that Labour's relationship with business is equally as important as that with the unions and that

*the key to the argument is increasing productivity*

or in other words further cuts in real wages are the Labour party policy. Even the *Economist*

[21.9.96] could gleefully announce that the only choice for voters to make in the coming election was

*between five more years of conservatism under John Major and five more years of conservatism under Tony Blair.*

In the past Labour promised us "socialism" and have given us troops to break strikes (14 times since World War Two), lay-offs (unemployment tripled under the last Labour Government), coalitions with the Tories to cut the dole (1931). Now they are promising us nothing what will they give us? Amazingly the left wing of the capitalist order, headed by the various Trotskyists are calling on the workers to vote Labour yet again! For them Labour represent a lesser evil but as we have shown this is not true. The Labour Party are not a "bourgeois workers party" to use one of the left's favoured formulae. They are a pillar of the capitalist establishment. The attacks they have made on the working class over the years are not betrayals. They are Labour demonstrating its true class character. Some of the Leftists are arguing that if Labour gets in workers will see through them and then start to struggle but in the meantime who will have campaigned to legitimate Labour - the very same Leftist tricksters who will then be calling for the TUC to call "a general strike" or some such nonsense. The antics of the left show that they too are tied to the coat-tails of the capitalist system.

#### Working Class Independent Struggle

The only solution is for the working class to respond with the weapon of class struggle. By this we do not mean the isolated fight of the Merseyside dockers, however admirable the determination they have shown over the last year or so. Isolated struggles may inconvenience some capitalists but they do not challenge the system. On the contrary they only demoralise the workers involved in them (which is why many are caused by direct provocation of the bosses). The only class struggle that the capitalist system fears is the generalised one involving thousand of workers. This is the only way to push back the capitalist offensive and develop the potential for getting rid of this lousy system which creates nothing but poverty, insecurity and misery for all workers. Such a struggle is not yet on the horizon but if Labour are elected the workers will undoubtedly find that the system offers them an even bleaker future. When they do eventually recognise that neither Labour nor Tory will restore the welfare state the question that we will be able to pose is that of how to permanently push back poverty and exploitation i.e. the taking up again of the communist programme. PBD



## BT/MCI Merger

# From National to Global Monopoly

Last November's press reports of the prospective BT merger with US telecoms group MCI made it sound as though something wonderful had happened, something to be proud of, unlike the performance of the English cricket team. Yet apart from the relatively few 'ordinary people' who have held on to their original BT privatisation shares, the significance of this merger will have been lost to most workers. For the capitalist class, however, the significance is clear. Here is a British success story. By means of the biggest takeover bid in UK history BT is now at the head of one of the three most extensive telecom groups in the world. It is taken as a sign that with the right kind of management and restructuring British capital can compete successfully on a global scale. Above all, it is taken as validation of the now almost universal capitalist orthodoxy: privatisation and the 'free market' are the key to economic regeneration.

Certainly the transformation of a former branch of Her Majesty's Postal Service since the initial BT share flotation in 1984 is symptomatic of the deep-seated changes undergone by capitalism worldwide over the last twelve years or so. It is a transformation that has silenced the criticism of old-style Tories and Labour Leftists alike — namely, that the government was only interested in short-term windfall addition to Treasury assets and was selling out the 'national interest' by privatising the so-called commanding heights of the economy. Now Labour and Tory alike are apostles of a new kind of economic liberalism: the *stakeholder society* or a *shareholding democracy*. (Spot the difference.) But if it's clear that the Tory government, just as much as Her Majesty's Opposition, really does have the interest of British capital at heart it should be equally obvious that the era of privatisation has not brought a return to free market capitalism. On the contrary, we are witnessing the resurgence of monopoly capitalism with a vengeance.

Despite the state's artificial establishment of a competitor to BT in the form of Mercury Communications (a subsidiary of Cable & Wireless, itself privatised in 1981) BT still has over 90% of the UK telecommunications market. Even the plethora of cable companies now operating

in the UK is due to the state's banning of BT for a decade from offering entertainment services over its telecom network: in order to give the cable network builders a 'headstart'. Try as it might, the state is finding it impossible to 'buck the market' and create the conditions for a genuinely competitive capitalism. To do so would be to turn back history itself. The fact is, however, that capitalism had gone beyond the stage of free competition by the beginning of this century. Henceforward monopoly capitalism, or more precisely state monopoly capitalism, has been the order of the day. Far from the dismantling of monopoly, what we are seeing at the end of the century is its extension far beyond the 'home' state to encompass the whole globe.

Contrary to the myth of Thatcherism, privatisation is not about removing the suffocating control of the state but the recognition of the state's limitations on the economic front. In any case, like nationalisation before it, it is the response of debt-ridden governments to the problem of economic stagnation as a result of the long-term decline in the average rate of profit. (It is no accident that two political non-entities like Reagan and Thatcher were in the van of 'economic liberalism': they represented the two biggest economic disaster zones in the 'advanced' capitalist world.) This meant a shortage of funds to reinvest and thus continued stagnation and declining competitiveness. The situation demanded a fundamental overhaul of the economy to revive profitability. Although it could sell off assets the state was in no position to inject the massive amount of capital for such an overhaul.

### BT— Mirror of Modern Capitalism

The history of BT is like a microcosm of capitalism as a whole. Its existence is due to a fundamental restructuring. Hiving telecommunications off from the Post Office was to recognise the new importance of this sector in its own right for today's increasingly globalised capitalism. Within the sector itself there was a ruthless discarding of unprofitable activity, such as the supply of handsets, and a massive 'downsizing' of the workforce (15,000 jobs lost in the first year of privatisation). Those left no



### Privatisation and Nationalisation

*privatisation ... like nationalisation before it, ... is the response of debt-ridden governments to the problem of economic stagnation as a result of the long-term decline in the average rate of profit.*

*'Amalgamation under public ownership will bring great economies in operation and make it possible to modernise production methods ...*

*Public ownership ... will lower charges, prevent competitive waste, open the way for coordinated research and development ...*

*Only if public ownership replaces private monopoly can industry become efficient.' Labour Party Manifesto 1945*

*'Privatisation is bringing about a fundamental change in the operation and efficiency of key sections of the UK economy. Its success ... is self-evident ...*

*Privatisation liberates managers and employees and allows them to reach their full potential ...*

*Privatisation increases productive efficiency whether or not a monopoly is involved.' Financial Secretary to the Treasury 1985*

longer enjoy the same employment rights as previously. By means of equities (shares) and bank loans BT was able to invest in new technology (automatic exchanges using electronic switching, replacement of copper cables with optical fibres capable of carrying 1.2 m calls simultaneously, etc.) which not only revived profits (by reducing running costs and the cost of an individual call) but opened up new dimensions to its activities — activities which would take it beyond national boundaries and which would demand enormous capital investment. Like capital in general BT has to be able to compete on a global scale and it cannot do this on its own. It has to form strategic alignments with other, 'foreign', companies and attempt to increase 'market share' by becoming a significant shareholder in local telecommunication firms.

Whether a company is nationalised or privatised is not the issue, as the strikingly similar fate of national telecoms throughout Europe shows. Even where the state is still a direct share owner or even, as in Sweden, where there is still a state-owned telecommunications network, the state is obliged to take a minor role in the actual running of the company. Above all, this is because it is no longer the main investor. In a very real sense the interests of these companies have gone beyond the boundaries of the national state. In addition the windfall revenue from the share flotations accompanying privatisation is useful to cash-strapped governments, as well as the general distancing of the state from the layoffs inevitably associated with the restructuring and cost-cutting of the new, 'efficiency' conscious private company.

### The Continuing Role of the State

But if the individual state, like the individual company, has less economic clout than in the past, states in general are there to oversee the whole ridiculous playact of this supposed free market capitalism. The reality is that any competition sparked by the state's dismantling of its old monopolies is short-lived. A new 'private' monopoly is very quickly established, or else whole sectors are shored up by what are in effect cartels comprising 'home' and foreign capital, private and state investment. The state's role is to implement the rules which define the limits, not of free competition, but of monopoly. To prevent the tendency towards every sector of the economy coming under the control of the same monopoly the state has to set limits to the process of capital concentration. There are national rules and bodies to implement them, such as the Monopoly and Mergers Commission and the various consumer watchdogs, such as Oftel (whose job is really to set limits to the levels of extra-profits accrued by a monopoly like BT). There are international rules and regulatory

bodies, like the World Trade Organisation which this year aims to see the 'opening up' of most of the world's trade in telecoms. [See the article on the WTO in this issue] There are trans-national, bloc rules such as the EU's plans to have all but five of the basic voice telephony markets of its member states 'liberalised' by 1998. However, once opened up to competing monopolies it is not the market which determines retail prices or production costs which define profit levels but the limits set by the state regulatory bodies as to what constitutes a 'fair profit' and a 'fair price' to the consumer.

So it is with BT which, despite its massive dominance in the UK telecoms market and despite its ever-growing stake in overseas markets, is not officially regarded as a monopoly. (In fact the UK telecoms setup enjoys the privileged position of being the only other country besides Canada to be formally classed by the US as "equivalent" to its own in openness). It must be with an easy heart that BT continues to embark on 'joint ventures' in Europe and the world. Even before the announcement of the merger with the second largest US telecoms company BT had a 20% stake in MCI and interests in a range of countries, particularly in Europe where it has taken advantage of its early denationalisation to penetrate previously closed markets (Germany, Italy, Spain, Sweden, the Netherlands, France). One of its latest 'ventures' is to ally with TeleDanmark to purchase a 49% stake in Switzerland's second telecom network which is being laid along railway lines. As the *Financial Times* put it,

*The Anglo-Danish group beat off a bid led by Deutsche Telekom and France Telecom.*

*[13.12.96]*

Truly the era of competition is not dead! The aim of the full-blown merger, which will be known as Concert and will create an operator with annual revenues of £25bn, serving 43m customers in 70 countries [FT 4.11.96], is to use the pooled concentration of capital and the advantage of combining their total share of the global market to steal an edge over its two major rivals. In the short term Concert has its eye on the US local telephone networks, the so-called Baby Bells which are being 'deregulated' and opened up to competition this year, and the EU telecoms market due to be 'fully liberalised' by January 98.

### The Global Restructuring of Imperialism

However, this is not enough to secure the continued existence of Concert as a "global player". The stakes are much higher than even the combined US and EU telecoms markets: there is intense competition for control of the Asia-Pacific region, for the east European market and



for the peripheral areas of capital in general whose states are being obliged to privatise telecoms and open up to foreign capital. According to the World Bank \$55bn per year until the end of the century is required to construct basic networks in the "developing world". Whereas in the 1980s barely a fifth of telecoms investment in the developing world came from the private sector, about half of the \$55bn will have to come from that source. [FT Survey on International Telecommunications, 17.10.94]. This explains why hardly a day passes without news of yet another country "completing plans for privatisation" — from Poland, to India, Ghana ... to name three of the most recent. Moreover, although most of the world's population has no access to a basic telephone service, the world's rival telecom groups are fighting over more than this. In the advanced capitalist centres it is also a fight about the real or imagined profits to be gained from control of a potential 'super information highway': a telecommunications network which spans voice telephony, faxes, transmission of computer data, the internet : a combined voice-image network expandable across the globe. In addition the trunk line operators cannot afford to stand aside from the threat from the development of mobile (cell) phones and satellite technology and, in a new trend, they are going to have to compete for individual company markets as AT&T of the US has just done against Deutsche Telekom over who is to pro-

in Norway, Finland and Denmark as well as a Japanese 'joint venture' between NTT and IBM Japan, known as Nippon Information Communications [NIC]). Worldsource/Unisource are two alliances dominated by AT&T, the largest US carrier. As well as four European companies, this includes KDD, the Japanese international operator, Singapore Telecom, and Telestra, the Australian national operator. Atlas principally comprises Deutsche Telekom, France Telecom and Sprint, the third largest US long distance operator. These three giant alliances are mirrored lower down the scale by mini alliances competing for smaller slices of the cake. They are increasingly subject to takeover or absorption by one of the giants. Thus, for example, Africa Bell, a local consortium linked to AT&T, is competing with France Telecom amongst others (such as Telecom Malaysia) for a stake in various newly 'deregulated' markets in West Africa.

What emerges is a complex and confused picture but nevertheless the same driving force which has always motivated capital shines through: that is the attempt to offset tendency of the falling rate of profit. Here it is worth quoting the *Financial Times* at more length:

*Expansion into new territories and the formation of alliances to tackle new markets is one of the principal strategies operators are using to counter the challenge of shrinking profitability. Typically, however, operators seek a local partner to smooth their passage in unfamiliar territory. The result is a global web of relationships between major and smaller operators of remarkable complexity. Companies are often at the same time competitors, collaborators and partners.*

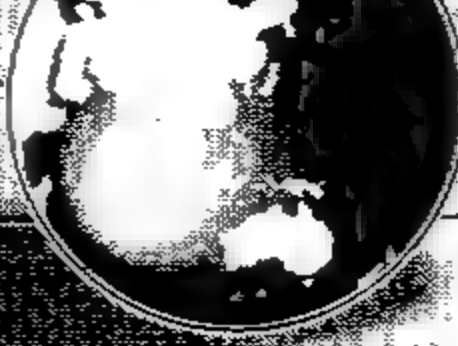
The article goes on with an example,

*...Ameritech, a US local operator, holds a 1.7 per cent stake in the Belgian state operator, Belgacom, a 49 per cent stake in a venture to provide mobile telephony in Taiyuan, China, a 15 per cent stake in Matav, the Hungarian operator and a 24.8 per cent stake in Telecom Corporation of New Zealand, among other holdings. [27.9.96]*

No matter what the press and economists tell us, this is not a depiction of laissez faire but of a process of expansion and restructuring of existing monopolies in accordance with the dictates of increasingly centralised capital and the consequence, an unprecedentedly integrated global economy.

Despite the enormous developments in the accumulation of capital since his day what Lenin said in *Imperialism, the Highest Stage of Capitalism* remains singularly appropriate for today:

### The globalisation of BT



1984	Privatised
1989	US: buys 20% of mobile phone company McCaw
1991	US: sets up Syncordia for data/video services
1993	Spain: joins with Grupo Santander US: agrees to take 20% stake in MCI
1994	Scandinavia: allies with Finnish, Danish and Norwegian firms
1995	Germany: alliance with Viag
Feb 96	Germany: BT and Viag merge networks
May 96	Italy: Mediaset takes stake in BT's Albacom
July 96	South Korea: alliance with telecoms firm Daewoo
Sept 96	Holland: sets up phone service with Dutch railways France: buys 25% stake in Cogecel

vide the telecoms service for the German chemical multinational, Hoeschst.

Although there are hundreds of telecom companies throughout the world competition is increasingly being reduced to rivalry amongst a triad of giant global alliances: Concert, Worldsource/Unisource and Atlas. Apart from BT and MCI the Concert group also includes three of the four Nordic national operators, i.e.



*... when Marx was writing Capital free competition appeared to the overwhelming majority of economists to be a "natural law". Official science tried, by a conspiracy of silence, to kill the works of Marx, who by a theoretical and historical analysis of capitalism had proved that free competition gives rise to the concentration of production, which, in turn, at a certain stage of development, leads to monopoly. Today monopoly has become a fact. Economists are writing mountains of books in which they describe the diverse manifestations of monopoly, and continue to declare in chorus that "Marxism is refuted". But facts are stubborn things ... The facts show that differences between capitalist countries, e.g. in the matter of protection or free trade, only give rise to insignificant variations in the form of monopolies or in the moment of their appearance; and that the rise of monopolies, as the result of the concentration of production, is a general and fundamental law of the present stage of development of capitalism. [p.645 of Vol1 of Selected Works, Moscow 1977.]*

Today the competition that does exist is not between individual firms but massive conglomerates and alliances which at present are shifting but which eventually will take on a more clear cut shape and will be very much reduced in number. As Marx said, "one capitalist kills many" and the same goes for the present telecom giants in relation to the smaller privatised local monopolies. It is a matter of conjecture whether BT will retain its existing force as a "global player" but whatever the composition of the surviving groupings, it is certain that each will be dominated by firms from the 'great powers' and that the even more massive concentration of capital will only exacerbate the declining rate of profit. (In fact *The Guardian* editorial on the BT takeover sensed this when it argued, *BT first has to disprove the academic research showing that mergers are rarely successful (including some made by BT in North America). One study concluded, alarmingly, that the net long-run effect of takeover bids was to reduce (by 1.5 percentage points) the return on capital of the companies making the bids.* [5.11.96]) When this point is reached then the economic realignment of imperialism will become more closely synchronised with its restructured political and military alignments. In other words the economic blocs which emerge will be the basis for the political blocs in process of formation to lead the competitive struggle of monopoly capital to its culmination: global imperialist war.

### No Cheers For BT

Meanwhile there is nothing for us to cheer about

in BT becoming a "global giant". It is nonsense to suggest, as the FT does, that this marks the end of an era in which huge telephone monopolies conspired with governments to frustrate the best interests of consumers. The results were excessive charges, distortions of tariff structure by political pressure, over-manning, inefficiency, resistance to new technology and the abuse of market power to exclude competitors. [4.11.96] In the first place the whole philosophy of capitalism is that market power is about "excluding competitors". This is certainly what BT is trying to do. Second, as we have seen, political pressure is far from absent when it comes to regulating the 'deregulated' companies. Third, although BT may boast of reducing its charges by 40% in real terms since privatisation this is nothing like the gains it has made in cutting costs by introducing new technology, sacking workers and upping the rate of exploitation. (For example BT charges about three times more for international calls than its cheapest rivals.) In any case, what have workers to admire about BT's boast that it has halved its workforce since 1984?

More generally, the idea that rival telecom monopolies setting up different networks in various parts of the world according to the prospect of making a profit is the best way to provide a communications network for a global human community is patent nonsense. The technology exists but capitalism can never provide a universal communications network which is what any rational organisation of a global community would demand. But then a truly global community can only come into being with the abolition of class society. This will happen once the world's working class realises that this too is within its grasp. ER

## Open Meeting

### What is Communism?

Communism is not Stalinism and is not dead. It lives on in the struggle of our class to free itself from poverty and exploitation. It can not be won by parliament but only through the independent activity of the working class.

**SCCAU**  
West St  
Sheffield  
Saturday March 1st  
2.00 p.m.  
All Welcome



# **The World Trade Organisation**

## **Another Imperialist Agency**

The first ministerial conference of the recently established World Trade Organisation (WTO) finished in Singapore in the dying days of 1996. The WTO, the successor to GATT (General Agreement on Tariffs and Trade), is not the great trade liberator for the modern capitalist world order. It is the latest version of how the leading imperialisms, particularly the US, intend to continue running and dominating the world in the face of the longest crisis in the history of modern capitalism (for more on this see *The Welfare State and the Capitalist Crisis in Revolutionary Perspectives 4*).

### **The Bretton Woods Post-War World Order**

At the end of the Second World War in 1945 an International Trade Organisation was planned to sit beside the Bretton Woods twins - the IMF (International Monetary Fund) and the IBRD (World Bank, properly the International Bank for Reconstruction and Development) - as part of the post-war world economic order. The ITO however, was still-born. The US, which was intent on establishing a new world order in its own interests, would not give up sovereignty over its trade policy to a body it did not control, thus GATT replaced the ITO. However, as a general and temporary agreement rather than a full-blown organisation, it did not have the depth and reach originally envisaged.

Nonetheless, in 1947 the Geneva Round of GATT opened up with 23 countries involved. World trade questions mainly centred upon trade between the US and Europe, the two focal points of capitalist production and capital concentration, hence the capitalists were anxious that trade resume in earnest between the two as fast as possible. The US aim was to prevent western Europe falling into the orbit of its imperialist rival the USSR and to tie it to its own apron strings. The USSR never became a member of GATT for the obvious reason that if it did the rouble would have had to have been convertible and the backward form of state capitalism known as Stalinism would quickly have lost control of its newly acquired colonies in Eastern Europe.

Whilst Stalinism needed protectionism the western bloc did not wish to return to the past. The restrictions on trade in the imperialist epoch had played a major part in two imperialist wars and by now even the capitalists were begin-

ning to understand that high tariff regimes were no solution to world economic crisis. This was particularly the result of the lessons of the inter-war years, a time when protectionism was rife and trade was stunted as a result of the beggar-thy-neighbour policies typified by the American Smoot-Hawley Act of 1929. The US Government, in particular, was acutely aware that trade restrictions damaged not only the defeated but also the victors. With the one economy still fully functioning it was in the US' interests to stimulate world trade (rather like the British became fervent apostles of free trade once its commodities were the cheapest and best and could "batter down all Chinese walls" [*The Communist Manifesto*]). Thus through the Annecy Concessions of 1949, the Torquay Round of 1950-1, the 1956 Geneva Tariff Cuts, the Dillon Round of 1960-2, a gradual reduction in tariff levels over a limited range of goods — mainly industrial manufactures — was achieved for capital. However, large areas were explicitly kept outside of any discussion.

### **After Reconstruction**

With 62 countries, the Kennedy Round of 1964-7 saw the first major increase in participation at GATT. In addition new areas were covered. Now GATT was to include grains, chemicals and there were agreements on anti-dumping measures. In 1973 the Tokyo Round began, lasting until 1979. Here 99 countries participated and the peripheral countries began to be included in discussions. One of the significant areas discussed were textiles, the infamous Multi-Fibre Agreement was installed wherein bilateral quotas were introduced with tariffs to be progressively reduced over 10 years. Textiles had been an area in which the so-called "developing countries" had begun to make some in-roads on the economies of the capitalist metropolises, their cheaper labour costs allowing some competition with them, but a variety of tariff and other barriers kept that market penetration severely checked.

The capitalist metropolises recognised that the increasing internationalisation of the market meant that GATT, their 'trade club' had to be inclusive. Post-colonial imperialism meant an increasing integration of peripheral economies into direct links with the dominant capitalist powers. By 1973 the onset of the crisis meant that to keep the trade cycle and so the circulation of capital going they had to grant some small

**"We have about 50% of the world's wealth, but only 6.3% of its population ... our real job in the coming period is to devise a pattern of relationships which permit us to maintain this position of disparity."**

US State

Department Planning Study no.23, 1948.



concessions lest the crisis in the periphery precipitate even more turmoil on the world markets and so an even greater shrinkage, not only in trade but in economic activity in general.

### **The Uruguay Round**

After overseeing the world trade aspects of the initial period of the crisis under the Tokyo Round, the now 117 countries of GATT turned — under the pressures from the metropolises — towards a new round of talks which now included more peripheral states.

Here we must remember the part played by the Bretton Woods twins, the IMF and the IBRD. From questions of the reconstruction of Europe and the stabilisation of those economies they had turned to a wider role in enforcing the hegemony of the major economies over all others. While GATT gave a little in terms of trade to the periphery the IMF was imposing draconian measures onto the budgets of those countries falling behind in their debt-repayments (the stuff, by this time, of virtually all the periphery). Thus between November 1985 and July 1986 arguments raged and eventually two separate agendas were produced for discussion at a new round.

One was prepared by OECD countries, the other by the peripheral countries. By August the Cairns Group had been formed to unite food exporting countries. By September the Uruguay Round was launched with the US bulldozing in 'Trips' and 'Trims' (trade related aspects of intellectual property and trade related aspects of investment measures, respectively) over the bodies of vigorously objecting Brazil and India. The EC was forced to include agriculture.

In effect, the ongoing crisis had forced the peripheral countries into urging a new order in terms of trade. Meanwhile the OECD countries continued to smart under the stagnation in trade and so production but realised that the world economy was now a quite different beast from that covered by the terms of GATT. As usual, however, the agenda adopted was a largely US inspired one. What began at Punta del Este was a fight for the changing needs and interests of first US capital and then the rest of the OECD countries.

With American capital ailing it was important that it begin to claw back some of the percentages of the world markets it had lost. Hence the arguments over agriculture were an attempt by the US both to open up the potentially lucrative Japanese rice market for its own troubled rice farmers, and to reduce or eliminate the Common Agricultural Policy (CAP), which had been a cornerstone of first the Common Market and

then the EC. Services had become a major part of world trade, hence the arguments over TRIPS (Trade related intellectual property rights. These initially targeted a) India and Pakistan which had benefited from the 'Green Revolution'. (The use of new strains of seed which had increased their yields enormously but which American suppliers only earned profit upon at first use.); and b) The pirates of the Far East who reproduced books, tapes, films, videos to great profit without any royalties going back to the often American authors and manufacturers. TRIMS (Trade related investment measures), are a similar way of opening up the economies of the periphery to further penetration by metropolitan capital.

After endless negotiations a deal was eventually struck. Alongside GATT there would now sit GATS, the General Agreement on Trade in Services and all protective measures were rationalised. However the interests safeguarded were first of all American but in addition the major capitalist economies. The importance to the metropolitan countries of such things as financial services had been forcefully brought to the fore. As the DTI said in 1993, in 1992 trade in services came to £32.8 billion comprising 23% of UK trade. For those who now looked to the service sector, finance, information and so on, for the bulk of their profit-taking, leaving the business of manufacture increasingly to the periphery, rules to their advantage concerning such sectors were of prime importance.

### **The World Trade Organisation**

To police all this was the new WTO. Where competition was threatened from the so-called NIC's (the newly industrialised countries) it would be pushed back by a number of means. There were going to be no more Koreas or Taiwans to challenge and compete with the US. The major weapon at the disposal of the masters of the WTO are the new rules on trade which are binding on all signatories. Under GATT it was a far looser affair, where only if arbitration was stipulated in bilateral agreements would a resolution become binding on parties concerned. Now under the WTO all countries sign on to all agreements, they are binding and they risk all manner of retaliation - forced compensation, cross-sectoral retaliation, even expulsion which might lead to wholesale trade-boycott or sanctions.

Under the TRIPS agreement it is now incumbent upon signatories to put in place legislation concerning 'Intellectual Property Rights'. The US was keen to move away from reliance upon WIPO (the World Intellectual Property Rights Organisation), a UN body and so unhealthily tainted as far as the US was concerned, by a lack of US control. What was hotly contested by such



countries as India was the inclusion of 'species', which are specifically excluded from its previous laws. This will give, for example, American companies the capacity to sue for royalties over seeds, and also the capacity to patent species taken from the Amazon region, contested by Brazil, to patent the source of new medicines and other useful compounds. To some extent it was this which complicated the issue of the entry of China into the WTO, still not achieved, as the enterprising amongst Chinese manufacturers happily copied all manner of American produced CD's, tapes, videos, books and so on.

TRIMS are still being discussed. Here the US has had ample support from the major metropolitan countries which see huge imperialist advantage in enforcing the 'opening up' of peripheral economies. What they hope to achieve is the complete freedom for their multi-nationals to set up shop on the same conditions as any other company, domestic or otherwise. This will extend the economic hold of the major imperialist powers which are already gaining control of basic areas of peripheral countries' economies such as telecommunications and transport. Moreover, that hold will be extended by an obligation to remove all restrictions on foreign investors buying property, owning shares, repatriating profits. In short, 'free trade' for the capitalist periphery will mean the further penetration of monopoly capital in both the productive and the financial sectors. It will speed up the globalisation process which is reducing the room for manoeuvre of individual states and further increase the gap between rich and poor.

Again China has backed away from fast entry into the WTO on the grounds that it wants further time calling itself a 'developing economy', needing time to convert its state-owned enterprises and its just emerging markets. China seeks to strengthen its economy in the face of what would be a huge rush by foreign investors to carve out sectors for themselves without fear of any real competition. It is looking to become a major player upon the world market itself by allowing its own industries time to develop. This is something which the US in particular wishes to avoid.

One argument which the USA threw into the fire as the WTO was being consolidated was the touting of labour standards as a proper area for the body to legislate upon. Apart from being a gross piece of hypocrisy, given labour standards in the USA, this was a direct attack upon the weaker economies of the periphery looking to damage their capacity for competition by making labour costs higher and so force the costs of goods upwards, allowing goods produced par-

ticularly in the US to compete directly.

## The Singapore Ministerial Conference

The meeting opened upon 9th December and agreement was quickly made between mainly the US, the EU, Japan and Canada on eliminating tariffs on IT products. On 11th December the major event was a statement from China on their continued attempts to gain entry upon their terms and not those of the US. They announced further trade liberalisation measures for February against the backdrop of US complaints over the claiming of developing country status. Some quotas and import licensing arrangements are to change along with a relaxation of financial service restrictions. Li Yongtu, the minister attending, fended off further concessions with the argument of mass unemployment and the destabilisation of the economy if the state-owned enterprises were reformed too hastily.

By 13th December it was clear that US attempt to force labour standards onto the WTO book was not to happen. (The UK opposed the move.) This will be left to the ILO (International Labour Organisation, an offshoot of the UN) although the US was appeased by a general declaration. As for the peripheral states, although they have apparently wrung some concessions concerning textiles the wording of such agreements are back-ended, i.e. they will see no benefit until the latter end of the procedure closing down the MFA. Now the prospect for some largely agrarian peripheral countries is that, although they may have a greater opportunity to export their goods to the markets of the metropolises, the price structures generated will leave the small proprietor and the rural worker high and dry. It will be the big agri-business concerns, dominated by metropolitan capital, which benefit.

## Globalisation

The establishment of the WTO and other international bodies like it have been hailed as triumph for the capitalist order. According to its most dewy eyed proponents (like Kenichi Ohmae - see Internationalist Communist Review 14) the new world economic order is further evidence that the capitalist system is capable of going beyond the nation state to create a globalised world order. In this global world order states will be mere impediments to the play of the two most important forces — transnational companies and market forces in an interlinked economy. But the WTO already shows this vision to be a hollow sham. We do not have an open free market in the world but one strictly regulated in favour of those states with the highest level of capitalisation. True they cannot

*continued on page 24*



# Sects, Lies and the Lost Perspectives of the ICC

**T**he International Communist Current (ICC), a group which we consider to be part of the proletarian camp, is currently undergoing a serious organisational crisis. The crisis now goes back more than two years but the nature and extent of it has only become clear in the last twelve months or so. Révolution Internationale, their French section (which is also far and away the most important) has expelled one of the organisation's former leading militants and issued a warning to the rest of the proletariat about his activities which are

*...redolent of those of certain secret societies connected to freemasonry (See World Revolution 194).*

In his wake at least a dozen other members of the organisation have resigned including one of their founding comrades who made an enormous contribution to the building of the international organisation of the ICC.

Crises afflict all groups of militant communists from time to time. As we battle to overcome the apathy and demoralisation of our own class we are bound to have serious differences over both programmatic and tactical issues. The real test of an organisation is how it handles these differences. In the past we have supported the ICC against all its various splitters (*News of War and Revolution*, and the so-called *External Fraction*). To quote a single example from many years ago we responded to the split of the group *News of War and Revolution* by writing in *Workers Voice* 5 (Autumn 1981) in an editorial entitled "News from Nowhere"

*Let us begin by first of all saying it gives us no crumb of comfort that another communist organisation is losing members at a time when the class has never been in greater need of a communist minority to resist the attacks of capital. News of War and Revolution represents a weakening rather than a strengthening of revolutionary forces.*

*The reasons these comrades give for their split are that the ICC became "bureaucratic" and its predictions on world events are increasingly wrong. (To give some examples, the ICC predicted that Mitterand would lose the French election and when he won it they con-*

*cluded that the bourgeoisie had made a mistake; after claiming that the "historic course" was not towards war they were thrown into a panic by the Russian invasion of Afghanistan). No political or theoretical explanation of these weaknesses of the ICC are offered by the News comrades. Indeed their criticism of ICC bureaucracy sounds like a confession of their own weakness - "too many ICC members left it to too few to make the important decisions". Given this the News represents a political step backwards rather than an advance on the group they have just left....*

*Revolutionaries who begin by denying the need for political organisation ... are treading a well-worn path trodden by many councilists in the past. History has already shown it to be a first step on the road to despair and demoralisation. We hope those who have taken the initiative to produce News of War and Revolution, those who have resigned but not yet indicated their political reasons, and all those who remain in the ICC will respond to this invitation to re-examine the errors of the past amongst all revolutionaries.*

We hope readers will forgive us this lengthy quotation but given the ICC's unfounded allegations of sectarianism against the CWO (see below) we wished to make clear what our attitude to all the splits (which were all to some extent councilist and anti-organisation in origin) from the ICC. Our prediction about *News of War and Revolution* turned out to be only too correct and its fate seems to have been shared by all the other splits from the ICC since then.

However the current crisis of the ICC is different. Although we have predicted it for some time it is not really the result of a split but of political demoralisation. The real reason for this is that the perspectives on which the ICC was founded have now finally collapsed in the face of a reality which the ICC has spent years trying to ignore. In fact what we said about the earlier split in 1981 applies to the current crisis

*The causes of the present crisis have been building up for a number of years and can be found in the group's basic positions. The ICC argues that the economic crisis is "here" in all its contradictions and has been so for over 12 years. They see revolutionary consciousness as*



*springing directly and spontaneously from workers in struggle against the effects of this crisis. It is not therefore surprising, that even when the crisis has not produced the level of class struggle predicted by the ICC, that this should lead to splits in the organisation.*

*Workers' Voice 5 (loc. cit.)*

Since then the situation of the working class has worsened and it has been thrown on the defensive. Instead of recognising this, throughout the 80s the ICC proclaimed that we were going through the "years of truth" leading to ever greater class confrontations. But the class confrontations that did occur were neither sustained nor coordinated. As we said to the ICC at that time it was O.K. to talk of "waves of struggle" as long as we recognised that this was on a retreating tide. The obvious contradiction between ICC perspectives and capitalist reality would have provoked the current crisis earlier if it had not been for the collapse of Stalinism. This unique historical phenomenon has completely shifted the debate about the course of history since the pause following such a major upheaval has postponed the bourgeoisie's drive to war and equally allows the working class greater time to regroup itself before the further attacks of capital make large-scale social conflict on an international scale once again necessary. It also allowed the ICC a chance to wriggle out of the consequences of "the years of truth" perspectives. However it has not solved the problem posed by their origins. For them May 1968 ended the counter-revolution and opened up the period when the working class would play out its historic role. Almost thirty years later (i.e. more than one generation!) where has that class confrontation gone? This was the question we posed to the ICC in 1981 and this is still one of the albatrosses around its neck.

The ICC knows this, so in order to prevent further demoralisation, it has had to turn to that age-old device — scape-goating. The ICC is not content to deal with its current crisis as one stemming from its own political failures. Instead it has tried, not for the first time, to turn reality on its head and is insisting that the problems it faces are due to outside "parasitical" elements who are undermining them organisationally. At first those defined as "parasitical elements" were all ex-members of the ICC (both individuals and organisations) but as time has gone on the ICC has widened its definition of "parasites" to include almost any group that is not the ICC (and even some that are openly counter-revolutionary).

The CWO has always been a prime target in this type of ICC polemic. Our very existence (we are the only group still existing today which was created after May 68 and which did not join the

ICC) is a reminder to them of their own past failures. This explains the sectarian virulence and downright dishonesty which characterised the attack on us by *World Revolution*. In no.190 of their paper they published an article entitled "CWO falls victim to political parasitism" As this article clearly states that "parasites" are

*voluntarily doing the work of the bourgeoisie*

You do not have to be a professor of logic to work out that *World Revolution* had decided, despite its hypocritical caveats to the contrary, to create the impression that the CWO is beyond the pale of class politics. Certainly all neutral correspondents to the CWO have drawn this conclusion.

That was not all. In desperation they then begin to throw in a few issues from over two decades ago to prove that the CWO is

*so gangrened with sectarianism and opportunism that it does not even realise it's own existence is under attack.*

As we find on the same page that such sectarianism and opportunism is also

*the weight of the petty bourgeoisie on the workers' movement*

It is obvious that the whole purpose of this bluster is to persuade any reader taking it seriously to discount the CWO as a communist organisation. However, the mentality of the ICC is precisely revealed by their other comments on the page.

*The sectarian group remains hopeful of creating a rival empire on the basis of its separate existence.*

This talk of "empires" says more about the ICC and its project than it does about the CWO. The ICC claims itself to be "the pole of regroupment" and therefore any other legitimate organisation of the working class must recognise this fact (and presumably join it). The CWO has never recognised this to be the case in the past and certainly will not now. In fact the current crisis of the ICC is a vindication of our contention that the Communist Left in Britain (and, via the International Bureau for the Revolutionary Party, ultimately elsewhere) needed a healthier body than that constructed on the politics of a Communist Left of France (the small sect from which the ICC is directly descended)

We cannot deal with every error and lie that that ICC twists into its attacks but we ask ICC sympathisers who read this article to imagine what the response of the ICC would have been if we had suggested that they were about to disappear (WR stated this twice in the above issue). They would have accused us of "spreading the rumours of the parasites". But the entire diatribe of the ICC against the CWO is precisely in that realm of accuracy. In our letter of correction, which they



finally got around to publishing nearly a year after it was sent, the central tenet of the ICC argument — that we had regrouped with the ex-Communist Bulletin Group — was exposed as a lie. As if a political unification of groups can be assumed by the absence of evidence of any meeting at all! The ICC have since tried to wriggle out of this by asserting that we had announced that we would meet to discuss joint work with the CBG but had written nothing since. In any case it is also untrue that we have not commented in print since. As the ICC say, we did not write anything about the meeting with the CBG because it did not take place. Instead they refused to attend after they were sent a document called *Once More on the Organisation Question* (June 1993) about what political organisation entailed. This stated that revolutionary work entailed

1. *Development of theory and understanding of Marxist method as applied to the historical class struggle and the contemporary world.*
2. *Closely linked to the above, a permanent structure with specific programmes for the education of cadres.*
3. *A regular press, both agitational and theoretical.*
4. *A systematic network for the distribution of the press.*
5. *Systematic intervention 'outside' - in workplaces, local communities, political meetings and demonstrations et.al. The exact weight given to any one of these areas will partly be determined by the current situation but there needs to be a recognisable structure within the organisation to ensure it is able to respond quickly and appropriately to events as they arise.*

This proved too much for the CBG and they cancelled the meeting at a few hours notice. Far from encouraging 'parasitic' elements the CWO exposed the lack of political seriousness on the part of the CBG who now said they were going to dissolve and produce one final edition of *Communist Bulletin* which would reply to our text. Over two years later they finally got around to it. The arrival of *Communist Bulletin 15* was accompanied by a short letter asking for our comments. We sent no private communication but did write in *Workers Voice 79* that

*The confusionist antics of the left wing of capital has to be combatted as does the more general weight of the lies of the bourgeoisie. These are even taking their toll of individuals in the Communist Left. Those who today succumb to the idea that the working class is somehow different from what it always has been in history are (like the former Communist Bulletin Group) themselves simply spreading their own demoralisation.*

WR who are usually so good at nitpicking through documents seem to have missed this. To have acknowledged this passage would have undermined their whole tenuous case. And this is a significant issue. Communists do not denounce another proletarian organisation on the basis of a suspicion but only on real, substantiated facts. The ICC, though, has its own way of interpreting reality.

### The International Conferences

Throughout our history we have constantly been denounced as "opportunistic" because we do not operate according to the sectarian rule book the ICC have drawn up.

We gave WR the opportunity to withdraw their slanders against us but instead of serious argument they came up with, "Response to the CWO - A Rudderless Policy of Regroupment" in *International Review 87* which is only a reassertion of the original slanders with a few more thrown in!

The most glaring of these is over the International Conferences and the Iranian exile group, the Supporters of the Unity of Communist Militants or SUCM.

The Third Conference of Groups of the Communist Left held in 1980 was largely a re-run of the Second (held in 1978) except that there was even greater confusion and disagreement. On the final day the ICC broke the discipline of the meeting by grabbing the microphone from the GCI in one debate (despite the fact that a comrade of Battaglia Comunista was in the chair). The ICC have always portrayed the resolution that Battaglia Comunista proposed [This became point 7 of the criteria for adherence to the 4th Conference, see below.] as deliberately designed to keep the ICC out of the Conferences but that was not its purpose which rather was to keep the CWO in. For, despite ICC assertions to the contrary, the CWO and Battaglia had been on a path of convergence for some time and there was now the beginnings of a definable tendency which accepted the central importance of the political party to the revolutionary struggle. Whilst the ICC see themselves as the only star in the firmament there are in fact others and other political positions that have to be taken into account.

The real problem for the ICC (which we only perceived when the big councilist splits in the ICC occurred a year or so later) was that the ICC itself had no coherent position on the party. That was why they could not agree to a form of words which merely reasserted the position as the Third International had left us it. It was a

moment when the proletarian political camp which had developed since May 68 had to shake off the last vestiges of petty bourgeois councilism. Whilst opportunist evasions came from the GCI and the NLI the ICC which was still full of councilists who had joined on a confused idea of what the party's role in history was, ended by condemning the resolution. This brought to an end the Third International Conference but Battaglia Comunista still hoped to continue the series perhaps with new elements who would now be attracted by the seven conditions to a Fourth International Conference. These conditions were

1. *acceptance of the October Revolution as proletarian.*
2. *recognition of the break with Social Democracy brought about by the first and second Congresses of the Communist International.*
3. *rejection without reservation of state capitalism and self-management.*
4. *rejection of all policies which subject the proletariat to the national bourgeoisie.*
5. *recognition of the Socialist and Communist Parties as bourgeois parties.*
6. *an orientation towards the organisation of revolutionaries recognising the marxist doctrine and methodology as proletarian science.*
7. *recognition of the international meetings as a part of the work of debate among revolutionary groups for coordination of their active political interventions towards the class in its struggle, with the aim of actively contributing to the process leading to the International Party of the Proletariat, the indispensable political organ for the political direction of the revolutionary class movement and of proletarian power itself.*

from *International Communist Review* 1 pp 1-2

Quite clearly neither BC nor the CWO had "relaxed the criteria" in order to let in the SUCM, or anyone else, as the ICC brazenly assert. The criteria were the result of the political outcome of the three International Conferences up to that point. Only two groups agreed to attend the Fourth, Kompol (Austria) which did not attend for practical reasons, and the SUCM.

With hindsight it was an error to invite the SUCM but then we had never faced a situation where a group said it agreed with our political inheritance when in fact this was far from the truth. The weakness lay firstly with the SUCM who — because they were "supporters" — did not consider that they had to stick to their own group's positions and secondly ... with the ICC.

Unbeknown to us at the time, the SUCM had held secret meetings with *World Revolution* in London for months before they contacted us.

These discussions were never reported in the oh-so-open ICC press. It gave the SUCM leaders the opportunity to assess our political positions without us knowing anything about theirs (given that most of the documents were in Farsi or the few that were in English were obscure debates with groups we had never heard of). The ICC deliberately miss the point when they say that we are trying to implicate them in our errors. The salient fact is that we operated in public, they operated "in the shadows". The ICC then tell us that they did try to warn us about the SUCM but that we shouted them down at a "CWO Conference". Actually it was at the Second Congress of the CWO. As usual we had an open session to which we invited (as was customary at that time) the ICC, and for the only time, the SUCM. The WR delegates first argued against us (fair enough, that was why we invited them) then started to attack the SUCM. Now we do not know how the ICC conduct their congresses but we do not invite outside elements to ours so that they can abuse our forum by addressing another invited party. That is why we told them that their remarks were out of order. The problem was that when the ICC did start to denounce the SUCM in their press they too had little concrete evidence about them. It took the translation into English of the Programme of the Communist Party of Iran (which the SUCM had joined) which contrary to the ICC we did not receive (in English) until after the Fourth Conference (every little lie adds up to the total picture) before we were able to conclude that the SUCM were counter-revolutionary. We clearly said this in the first publication of the International Bureau, *Communist Review* 1. As to the Fourth Conference it was the last (and a further international initiative of this type will now have to take a different form) but it did have one positive outcome for us. It cemented the closer cooperation of the CWO and the Internationalist Communist Party and led ultimately to the establishment of the International Bureau for the Revolutionary Party.

### **The International Bureau for the Revolutionary Party**

The ICC has not stinted in its epithets about the Bureau. It is "a bluff", an "opportunist regroupment", and the CWO is both "a political eel" and "sectarian" for joining it. For the ICC the Bureau is a threat "a rival empire" and they spend a great deal of effort denigrating our efforts. However we do not see the Bureau as another ICC. Our aim is to foster the conditions for the growth of solid nuclei in different countries which have a real life in the wider working class. At present no communist organisation anywhere (not even Battaglia Comunista) has sufficient roots in the working



class to be a serious nuclei of an international centralised party. Obviously the Bureau draws on the lessons of the past attempts at the formation of internationals, particularly the Second and Third Internationals. Whilst the Second was simply a federation (and a loose one at that) of the different national Social Democratic Parties it fell prey to each national bourgeoisie in turn when the First World War broke out. It was to the credit of the Russians (and smaller groupings elsewhere like Serbia and Bulgaria) that they stood for an independent class position in the imperialist War. It was no accident that Russian Communists led the only successful proletarian assault on the capitalist state because of this. However the Russian success was paradoxically the greatest problem of the Third International formed in 1919. With a single party (the Russian) dominating this centralised body (and our comrades in the Italian Left ensured that it would be centralised) this led to errors in the tactics and strategy in the revolutionary programme in the 1920s. Ultimately to the defeat of the Russian proletariat contributed to the end of the revolutionary policies of the Comintern in the rest of Europe and the world.

**T**he Bureau therefore has a long-term perspective. We seek to encourage the formation of groups wherever communist emerge and to encourage these groups to work more closely together within common linguistic and cultural areas. In its statutes the Bureau only recognises one section within each geographical area as a first step on the road to an internationalised centralised party. When eventually the organisations which adhere to the Bureau have sufficient weight inside the working class then this will be the time to talk about the 'pole of regroupment'. Only when concrete strides have been made inside the working class will it be possible to proclaim the centralised World Party of the Proletariat (or whatever it decides to call itself). Naturally this stems from our view that the working class has a long way to go before it reaches such a stage but we do think that once the working class begins to move towards an all-out confrontation with capital it will do so more internationally and more generally than in the past.[1]

By contrast the ICC sees its present organisation as the basis of the party. For them it is just a matter of extending an already centralised international organisation, despite the fact that its "national sections" hardly count for more than a handful in each country. The ICC's whole *raison d'être* is based on maintaining this idea that it has the centralised organisation for the future. So much so that it has gone to considerable lengths to hide events like the disappearance of *Accion Proletaria* after the

founding conference in 1975. Instead it maintained the publication via comrades from RI in France until a new set of comrades could be found in Spain. But the ICC, of course, does not believe in bluff! The serious problem of this prematurely centralised tendency is that it now acts as a barrier towards the emergence of groupings from the future waves of struggle of the class. These new elements will bring with them new issues and new problems and the ICC has so far shown that it has neither the openness nor the flexibility to deal with these. Indeed the current crisis in its largest national section has so far transfixed the organisation as a whole that it already displays the weaknesses of the Third International. Such criticism will naturally be unwelcome to the ICC but they come close to explaining its current crisis. Set upon proclaiming that May 68 was the end of the counter-revolution it attracted a large petty bourgeois element. The precursors (Revolutionary Perspectives) of the CWO recognised this from the moment when the entire section of World Revolution in the course of one lunchtime suddenly accepted RI's position on the Russian Revolution. This was fair enough given the weight of argument (RI were right even if RP, the forerunner of the CWO did not agree with it at the time). The problem was that the WR comrades concluded that if RI were right about the proletarian nature of the October Revolution then they were right about everything else. This appalled the comrades of RP who had just begun discussing with WR about economics and had (on their recommendation been systematically working through the works of Mattick and Grossman). However, WR suddenly fell into line with RI and became Luxemburgists without reading a word of Luxemburg and then presumed to tell us that they (since they had now joined RI) were the "pole of regroupment" in Britain. We are not going to hide the fact that in 1972-4 RP was immature and councilist in most of its positions, nor that discussion with RI had been enormously helpful in directing us to re-examine the revolutionary legacy of our class but our non-adherence to the ICC was not taken lightly.

**W**e, on WR's request, wrote a short Platform as an aid to discussion between us. It largely agreed with RI but on three areas we disagreed: the centrality of the law of value to marxist economics not Rosa Luxemburg's third buyers; the state in the period of transition — this will consist of the armed workers councils not some other body dreamed up by MC, RI's leading theoretician (following the positions of the tiny group from the 1940s, the Gauche Communiste de France); and the Russian Revolution — which ceased to be moving towards socialism from 1921 onwards. WR's response was a fourteen page denunciation of

the RP Platform as an attempt to define ourselves against the ICC. Therefore it was "sectarian". Leading members of RI later told us that they would have accepted our platform as the basis for joining (so much for today's myth of the ICC's centralised organisation) but by then the die had been cast and a more general process of political clarification in the UK had been nipped in the bud.

**T**he problem was exacerbated by WR's messianism. They thought the revolution was just around the corner and that anyone who delayed joining the ICC was objectively holding back the revolution. Today the same attitude prevails except that the perspective has no connection with reality. The revolution is not around the corner and we are in a period of a slow build up of revolutionary militants. This the ICC cannot accept. Instead they berate us for theorising about "the inevitable product of the difficulties of the period" and choose to believe that the failure of the ICC to grow at this time is the fault of parasites, state agents etc.

The ICC has hitherto been a relatively successful organisation but today the political problems are piling up. The petty bourgeois elements may have largely left in the successive splits of 1981 and 1984 but today's crisis is produced by the demoralisation of long time militants and it is that which the ICC has not faced up to. Instead we have had a more frantic descent into sectarian antics of which the sterile polemic we have just had to answer is only one example. [2]

The ICC has accused us of being rudderless but at least we still know which direction we ought to be going in. Our perspectives - the same ones we addressed to them in 1981 are still largely intact. We have slowly but steadily grown closer to our comrades in the International Bureau since we had prepared for it by long debates on historical method and marxism in the period 1977-82. The organisation which joined the

Bureau was unbelievably more advanced than the group of councilists who set out in 1973. Politically we will take further strides this year despite the objective difficulties imposed on all revolutionary organisations. The ICC instead have neither map nor compass but like Christopher Columbus (who was also a master propagandist at hiding his own deficiencies) does not know where it is going and what it is looking at. It is like a ship focusing on the wrong horizon and not knowing where. It is the ICC's narrowness and obsessions with its own members which prevent it from seeing the communist left and the need for all internationalists to develop their own exclusive terminology. Instead of looking at the world and analysing it, the ICC has become a self-contained system which needs to re-examine its political perspective and wants to overcome its organisational problems. [3]

#### Footnotes

1. The ICC asserts that the CWO and I have differences but does not say what they are. We invite them to make good this slander or shut up. The fact is that we could formally proclaim the unification of the two organisations tomorrow but to what purpose? It would freeze a process which has hardly begun.
2. World Revolution have also used the dogmatic tactics of Maoism with their sympathisers. "If you are not with us you are a parasite". They are also trying the same with the CWO over the ridiculous public meeting of theirs in Manchester. They state that we should take sides - either the ICC or the "disrupters". Now we agree on principle that proletarian political meetings must be defended but we do not agree with the ICC version of "the facts". What disruption took place? The "disrupter" left the meeting and it carried on. If the ICC calls that disruption they'll have to stop holding public meetings when the class struggle really hots up. More disruptive was the clown (the ICC's so-called Praesidium) who provoked his challenge to the meeting. Until that point his disruption had consisted in buying the ICC and CWO press and sitting in a different place in the room! And the ICC wonders why no-one wants to go to its meetings!
3. We will make a more detailed critique of these in *Internationalist Communist Review* 15 (currently in preparation).

## World Trade Organisation

compete with the international financial conglomerates in terms of capital mass but those conglomerates have to eventually find a base for their profits and these are still within states. The nation states are relatively weaker today only because of the fact that they no longer have sufficient capital to fully control their own destinies. However the WTO works to ensure that metropolitan capital continues to dominate. If the WTO can force the so-called "developing world" to accept proposals giving unrestrained rights of investment (which could then be protected via trade retaliation) imperialist finance capital will have achieved much greater domi-

*continued from page 18*

nance than the colonial regimes of old. In global terms it has already demonstrated the truth of Marx's observation about the polarising effects of capital accumulation. The world's poorest fifth has seen the gap between it and the richest fifth doubled in the last thirty years.

As to the myth of free trade the statistics are sobering enough. After 1950 world trade grew at 9% a year but once the accumulation cycle came to an end in 1973 this fell to 3.6% (or the same as in the late nineteenth century). It seems that the old ghosts are returning to haunt the capitalist system...

**Clastre**



## Readers' Letters

### The French Strikes and the Unions

In *Revolutionary Perspectives 3* we published the first part of a letter on the December strikes in France by a sympathiser of the communist group, *Révolution Internationale*, section in France of the International Communist Current who has also been a long time reader of our press. The meaning of the second half of the letter was unclear so we asked the comrade to write to us again in French so that her point could be made more clearly. We are pleased to say that she did and our translation of her criticism follows with our reply below.

Comrades

... 3) It is interesting to see how the same reality seems different according to the point of view from which it is viewed: thus you write concerning the strikes of November-December *In this case there was such a widespread outburst of class struggle that capitalism's propaganda merchants couldn't afford to keep quiet about it without serious loss of credibility. (Internationalist Communist 14 p. 6)*

From the point of view of the working class, we would read this as: the bourgeois media talk a lot about the strikes - that is perhaps a trap for the workers of the central countries (and consequently for all the working class), we are wary and do not fall in! What confirms or undermines the accuracy of an analysis, in relation to an event - it is what follows on (you say that workers have shown their strength, but) what has it gained them?

- two new taxes, - the Contribution to the Repayment of the Social Debt

- the increase in the Generalised Social Contribution;  
- the reduction in reimbursement for medicines,

- the increase in the period of contributions for pensions and the reduction in their amount  
Moreover, the reductions in taxes announced with huge publicity is a ways compensated by the creation of new taxes or the suppression of tax advantages, it is thus the case that the suppression of the tax advantage for non-married couples with children or the suppression of deductions

relating to interest paid on borrowing for house-purchase, concerning taxes - while the state appears to give with one hand it takes with the other, all within a show of egalitarian concern French workers, exhausted by the November-December strikes (because they have cost a lot in terms of money and energy and because they controlled nothing), do not have the strength to oppose these measures.

German workers, they have won for themselves a second austerity plan, they allowed the unions to negotiate the first, then they were demoralised, they no longer have the strength to refuse that.

Is this what the international media has said following the events of December 1995 in France? Of course not, the manoeuvre is too obvious

It is true that the bourgeois media avoids talking about the workers' strikes (the real strikes in which the workers went beyond the unions and did not allow them to control them), whenever they can do so, historically, since the last world war, they did not speak of the strikes in Iran in 1979, so as not to give other workers ideas about rebellion. Strikes beginning within the unions have been much talked about - May 1968 in France Poland in 1981. The journals have taken up the question of these strikes because they were known about by word of mouth

In 1968, the concessions accorded to workers have been eaten away little by little by inflation (the government had been truly afraid), today no concession is given, the result is its opposite.

If the strikes of November-December had been dangerous for the French bourgeoisie I believe that the government would not have persevered with the attacks, they would have waited to see what would have happened, as in 1968. Concerning the unions you wrote on p 11 of ICR 14:

#### To our Readers

*We have always maintained that a dialogue with readers is essential for the development of revolutionary theory. We ask that letters be as short as possible, and that an address (which we will not publish) for replies (and to get permission for cuts) be included. Correspondents will be identified by an initial unless they indicate otherwise.*

*it will be much the same militants who yesterday acted as part of the union who will tomorrow be acting outside of it.*

Now, is that really your position upon the unions? Do you think that there is a class frontier or do you think that it can be within the union one day and then outside of it the day after and turn into something new all in being deemed worthy of confidence? That is neither serious nor coherent, it seems to me. The problem is not to think about various individuals who today objectively serve the bourgeoisie joining or not the struggle of the working class (and that will certainly come about, when the working class shows its strength and its historical perspective), the problem is structural the unions are no longer, in reality, an arm of the working class, reality shows also that they are a weapon of the bourgeoisie, there can be thus no accommodation for the idea of union militants, even if they are sympathetic J

### CWO Reply

Dear J

Thanks for taking the trouble to rewrite your letter especially as it also gives us the opportunity to say something more about this significant event especially as we have been given a serious response to our views by *World Revolution* (the British section of the ICC).

For the ICC the strikes in France did not simply involve the normal co-operation of the various factions of the capitalist order (in which we include the left and the unions) but something much more significant. For the ICC it was the result of a previously worked out plot by the Juppé government and the unions in concert to make the workers struggle in conditions which were unfavourable. Actually in either scenario the results are the same. For the Government it leads to the workers' acceptance of the austerity measures and the unions can regain some fake credibility as defenders of workers' interests

The ICC though, insist that this manoeuvre was something beyond the normal and thus their sole message to the workers in December 1995 was that this is a "grand manoeuvre of the bourgeoisie" and that they should not be fooled into taking action. But what was the alternative? Stay at home and allow the Juppé Plan to be implemented without a murmur? Our view is that

when the unions start to play radical then there is something going on inside the working class (even if we don't think it was very much) which is forcing them to behave in this fashion. This is how we (and previously the ICC) have always analysed the way in which unions will apparently run ahead of a movement to gain control of it. The task for revolutionaries is to try to take the struggle a step beyond the one the bourgeoisie and the unions are prepared to allow. In the case of France if the workers had not responded to Juppé's provocation we would be sitting here with a worse austerity situation than now and without the heartening knowledge that even in this period of retreat the working class can give the lie to all those who say it does not exist or cannot act collectively.

This takes us to the heart of our differences with the ICC. They still believe, against all the evidence, that this is a period of high class consciousness. All revolutionaries need to do is demystify the workers about the unions and the road to revolution will be open. Thus they view the French strikes through a negative framework - a potentially revolutionary class led astray by the manoeuvres of the bourgeoisie. For us the situation is one of low class consciousness (the proletarian revolution will be achieved through a political act, the overthrow of the capitalist state but at present the revolutionary expressions of the class are tiny - a reflection of the low level of class consciousness). Coming from a premise of low expectations for this period we see the French strikes as potentially more positive (irrespective of the manoeuvres of the ruling class). Certainly workers in Britain took heart from them and remembered their own retreats in the 1980s. Whether the message that only united collective struggle can succeed has got home to the working class in general we will only know in the years ahead.

As to your point that the workers have materially gained little, if anything, from the strikes, since when have internationalists argued that it could be otherwise in a period of decay and crisis of capitalism? The workers did get some attacks postponed but we have already said that the ruling class will be back. Any real 'gains' are in consciousness and the proof of this will be in the future rather than the immediate period. Certainly these strikes, like so many others have not halted the bourgeois offensive on a global scale but if the workers had followed the ICC and done nothing this would have certainly encouraged the bourgeoisie to

even greater attacks and led to greater demoralisation and atomisation of the working class. The ICC's pacifism in the class struggle here does not come from what they fondly think are superior analyses but a total incomprehension of reality. They accuse us of under-estimating the bourgeoisie because we do not accept their grand plot theory but in fact they over-estimate where working class consciousness is today. The French strikes, we remain firmly convinced, did more to raise that consciousness than to damage it.

You finally turn to the union question again. As a subscriber to our press you know very well that we regard the unions as bastions of the capitalist order so we understand that the question you ask here is rhetorical rather than anything else.

*Concerning the unions, you wrote on p.11 of ICR 14:*

*it will be much the same militants who yesterday acted as part of the union who will tomorrow be acting outside of it." Now, is that really your position upon the unions?*

You have confused two things here. The remark is not about the unions but about the workers in them. In Britain there are at least 8 million workers in unions. These are usually the ones who hate capitalism the most. They are not in the unions because they love bourgeois organs but because at the moment they see little alternative. In short the most class conscious workers are in the unions. It is an ICC myth that the unions have been losing members because workers have seen through them (we would naturally love to believe it too!) In Britain (and the other "Anglo-Saxon" countries) the militants who are in the unions will have to lead the anti-union struggle because no-one else will. We understand from talking to militants in Spain that this is not the case there. Only the bureaucratic elements are in the unions and that when they hold mass assemblies most of the combative workers in them are not members of the union. It sounds as though France is similar to Spain (given that only 20% of the workforce are in the unions). Clearly we would say in that situation that the unions will be bypassed by any wider class movement.

Just to ensure that there is no ambiguity on the unions issue we would also use this reply to take up the union issue in WR 196. In some ways this response to us is a bit of a retreat in that it does not repeat some of the wilder plot theories and we do not

disagree with the parts of *International Review* 85 quoted. In the last resort the unions will *renounce their own sordid interests ... [for] ...the defence of capitalist interests against the working class...*

We have seen this in two world wars where the unions became managers for pacifying the labour force and recruiters for the war efforts of imperialist countries. However WR then go on to say that the basis of our disagreement over the French strikes was because they say that the unions are integrated into the state everywhere whilst the IBRP/CWO say that there is only a *tendency* for the unions to be integrated into the state (in fact we agree with the formulae in the Political Positions of the ICC that "the unions everywhere have been transformed into organs of capitalist order within the proletariat"!)) It does not make the unions precisely part of the capitalist state. As we have pointed out to WR before, the East European unions which *were* state organs turned out to be totally useless at managing the working class in the interests of capitalist social peace precisely because they *were* fully integrated into the state. The issue is not about the unions but about the state - a term which the ICC uses as a catch-all rather than a precise concept. The ICC sees the idea of "the state" as being not merely a political body but something encompassing everything (they have even the British state includes the IRA, for example). The unions are anti-working class and are used by the capitalist state (which does not preclude them from taking part in pro-capitalist manoeuvres against the workers' struggles) but they are not everywhere and always part of the state apparatus. This is obviously a bigger issue than we can deal with here but we would only underline that the significant issue here is not the underestimation of the bourgeoisie by the CWO but a complete failure to recognise what communist intervention in this situation involved. By simply denouncing the whole movement as a put up job the ICC failed the test.

A final point on this issue also comes from WR 196. In their final effort to express good proletarian wisdom they make an appeal to history. They point out that

*The ability of the bourgeoisie to provoke the working class into premature movements was definitely proved in the July Days of 1917 in Russia ... the Bolsheviks were able to expose and denounce the provocation which enabled*



*the workers to live and fight another day.*

History like economics has never been a fertile ground for the ICC. The workers were not provoked by any particular manoeuvre of the bourgeoisie in July but by the failure of their own June demonstration to dislodge the bourgeois Provisional Government. July was a movement of impatient workers from one place (the Kronstadt naval base) led by Bolshevik and anarchist workers. It was a difficult situation for the Bolsheviks since the workers carried Bolshevik slogans on their banners and marched to Bolshevik headquarters to get their approval. Lenin did not denounce the movement as WR state but told the workers from the balcony of Ksheshinskaya's palace (at that time Bolshevik headquarters) to make sure that the movement was peaceful and to give the bourgeoisie no ground for provocation. In short the Bolsheviks did not denounce the class (not even a small part of it) but remained with

the class whilst preparing it for a step which was in its own best interests. In private Lenin told Podvoisky, the leader of the Bolshevik Military Organisation, that he "ought to be thrashed" for agreeing to go along with a premature armed demonstration when it was already clear that the Bolsheviks were gradually gaining the support of the working class. It was a desperately difficult situation since the bourgeoisie were more united at that point and were able to find the forces to attack not only the demonstrators but all Bolshevik workers. It cost the lives of hundreds of workers and the subsequent repression almost cost the Bolshevik Party everything. However, at no time did Lenin denounce July nor waver in the face of the bourgeoisie's attack since to do so would have handed the leadership of the revolution over to the anarchists and thus thoroughly disorganised the movement. Lenin wrote two days after the crisis

*Mistakes are inevitable when the masses*

*are fighting but the communists REMAIN WITH THE MASSES, see these mistakes, explain them to the masses, try to get them rectified and strive perseveringly for the victory of class consciousness over spontaneity.*  
Collected Works Vol. 29 p.396

As we have shown elsewhere (see our pamphlet 1917, £2 from the group address) it was precisely because the Bolsheviks remained with the class that they won its trust for the vital struggles ahead. This is no small point. Apart from demonstrating how the ICC is prepared to say anything to support its tendentious positions, it is also a classic illustration that revolutionary action and organisation rather than idealist analyses of bourgeois machinations are what will build the revolutionary party inside the working class.

Internationalist greetings  
CWO

## Revolutionaries and Ireland

Dear Editor

I was in London recently and bought Volume 2 of your journal *Revolutionary Perspectives*. I found much of its content interesting. Your article on the original Socialist Labour Party was particularly useful as it showed quite clearly the contrast between it and the organisation founded by Scargill & Co. However I was disappointed with your article on Ireland "Gangsters Against the Working Class" which does not give a "revolutionary perspective".

One of your opening assertions that "Ulster has become a drain rather than a benefit to British imperialism" is not correct. This assertion is based on a comparison of the taxes which the British bourgeoisie collects in Northern Ireland (in the last analysis from the masses!) with the expenditure by its capitalist state in Northern Ireland. This overlooks the huge profits which the British bourgeoisie makes in Northern Ireland through its ownership of factories banks etc., and which it secures directly by means of its capitalist state apparatus. In fact you correct this earlier statement later in your article.

*In the era of imperialism, capitalism demands that every (capitalist) state fights for every scrap of surplus value, and this means also defending its territorial integrity (e.g. British imperialist rule in Northern Ireland).*

More important, however, are the omissions: ...

Your article makes no attempt to analyse why so many workers in Ireland are still in the tow of bourgeois organisations such as UUP DUP SDLP, Sinn Fein/IRA, UDP/UDA etc. - makes no mention of the treacherous role of the workers' bureaucracy (including the trade union bureaucracy) in Britain and Ireland - and its parties (LP, NILP, WP, CP etc.) - which for decades have betrayed the workers in Ireland, have misled them on opportunist lines, thereby pushing them into the arms of bourgeois organisations.

Most important, however, your article is almost silent on what must be done in the interests of the Irish masses (protestant and catholic e.g. That the struggle for liberation from all forms of exploitation and oppression (including national oppression - which you confirm "still undoubtedly exists") must take place on the basis of proletarian class principles on the line of the international workers revolution!

That in this revolutionary struggle the Irish masses need clear consistent revolutionary leadership and that this leadership can only be given by a party of class conscious workers who can again and again work out the revolutionary strategy and tactics, which will put the revolutionary principles into practice, i.e. by a workers-democratic party.

That this workers party does not exist at present due to the betrayal of the workers by the opportunist parties of

the workers bureaucracy - the LP, SP, CP, WP etc. That these parties are bourgeois and can never become real workers parties (as proven by their many years of betrayal of the working class, that the workers' bureaucracy which dominates them will never give up this Judas role - because it does not want to lose the well-paid posts, salaries and honours that the bourgeoisie gives the workers bureaucracy for this betrayal.

That a real workers party must be built - which will lead the workers firmly and consistently on the line of the international workers revolution; which will fight consistently against all sections of the bourgeoisie (catholic and protestant); which will lead them in the struggle for a state and economy in which the masses under the leadership of the workers will decide and control by means of workers' democracy.

That the first indispensable step in building the real workers party is to break - organisationally and politically - with all parties of the workers bureaucracy.

That the most pressing task, the key task for today is the building of the real workers party to lead the fight for a workers-democratic Ireland, a workers-democratic Irish republic, as part of the voluntary federation of workers democratic state of Europe, of the world. I look forward to seeing your comments in *Revolutionary Perspectives* on the points I have raised  
Jim D.



## CWO Reply

Dear Jim

Thanks for your letter. We are glad that you liked much of the paper. Your letter expresses all the problems of someone who only looks at one issue of a paper and does not understand the framework in which we operate. Some of the issues you raise are dealt with elsewhere (including *Ireland - only the working class can answer "the national question"* in *Revolutionary Perspectives* 4. See also *Workers Voice* 74 and 79)

We agree absolutely with your main point that "the key task for today is the building of the real workers party..." but we don't agree with your old Connollyite formula that this is to create "a workers democratic Irish republic". The age of the democratic revolution died about the same time as Connolly. Today we stand for a party which is internationally centralised and which aims to lead the world revolution of the working class. You seem to recognise this too when you see that the idea of an Irish revolution is a nonsense and you mention a united states of Europe and the world. However even this is a concession to social democratic politics. In the *Communist Manifesto* Marx makes it quite clear that we are not talking about any nation states (voluntarily federated or otherwise) under communism but about the abolition of nation states (the epitome of bourgeois order) and national frontiers. The workers have no country and communism will have none. In this context we are a little concerned that you thought to add "capitalist" in brackets to our quotation above. For us all states today are capitalist and the adding of the adjective is unnecessary unless you think there are some states which are not capitalist anywhere in the world. Do you think there are?

Similarly we are ahead of you on the issue of the parties you call "opportunists" and "betrayers". In reality they are not betrayers because they are already bourgeois and act for that class (whatever the illusions of those who support them). As to the distinction between the members of the nationalist or unionist parties being largely working class that does not affect how we attack the organisation as bourgeois. It is the organisation which represents the capitalist order and until workers in them break with them they are lost to the working class.

As to the issue of the profits or losses from Ulster, we were making the point

that British imperialism no longer has a massively valuable asset as it had in the past when Belfast was a major industrial centre of the British Empire. The costs of policing Ulster plus the fact that the same amount of surplus value is no longer extracted from the province do not make it central to British imperialism (a nationalist myth). What is central is the integrity of the British state and this is why the ruling class in Britain cling to Ulster so tenaciously. If the UK state admits that its territorial integrity is not absolute this would be the first step on the road to its political demise.

In the final analysis we agree that the fundamental task is to create an international party which will link the exploitation and oppression of workers throughout Ireland to the international working class revolution. That is why the CWO has affiliated to the International Bureau for the Revolutionary Party in order to be part of the process of forging this essential instrument for working class emancipation. This though has to be

translated from words to deeds. It cannot be done simply by fine declarations. The first task is to establish a nucleus of workers who reject all national frameworks and who already see the problem as more than just an Irish question but an international one. We understand that the capitalists of all national identities are manipulating the misery of the working class for their own political aims. By playing the national card in its most violent forms the Unionists and the Nationalists get the workers to identify with the aims of their own local bourgeoisies. As a result the Northern Irish working class is today one of the least combative of any in Europe (despite a proud past of struggle). The only way out of this is to concretely link the increasing exploitation of the working class in Ireland to the international class struggle. This is our strategy. You do not say what you are doing...

Internationalist Greetings  
CWO

### Our Basic Positions

1. We aim to become part of the future world working class party which will guide the class struggle towards the establishment of a stateless, classless, moneyless society without exploitation, national frontiers or standing armies and in which the free development of each is the condition for the free development of all (Marx): COMMUNISM.

2. Such a society will need a revolutionary state for its introduction. This state will be run by workers' councils, consisting of instantly recallable delegates from every section of the working class. Their rule is called the dictatorship of the proletariat because it cannot exist without the forcible overthrow and keeping down of the capitalist class worldwide.

3. The first stage in this is the political organisation of class-conscious workers and their eventual union into an international political party for the promotion of

world revolution.

4. The Russian October Revolution of 1917 remains a brilliant inspiration for us. It showed that workers could overthrow the capitalist class. Only the isolation and decimation of the Russian working class destroyed their revolutionary vision of 1917. What was set up in Russia in the 1920's and after was not communism but centrally planned state capitalism. There have as yet been no communist societies anywhere in the world.

5. The International Bureau for the Revolutionary Party was founded by the heirs of the Italian Left who tried to fight the political degeneration of the Russian Revolution and the Comintern in the 1920's. We are continuing the task which the Russian Revolution promised but failed to achieve - the freeing of the workers of the world and the establishment of communism. Join us!

### Find Us on the Internet

<http://www.geocities.com/~italianleft>

Articles from the current issues of our main publications, *Battaglia Comunista*, *Prometeo*, *Revolutionary Perspectives* and *Internationalist Communist* are all available. Internet users can contact the CWO by e-mail on

CWO <106361.1743@compuserve.com>



# Internationalist Communist

**Review of the International Bureau for the Revolutionary Party**

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